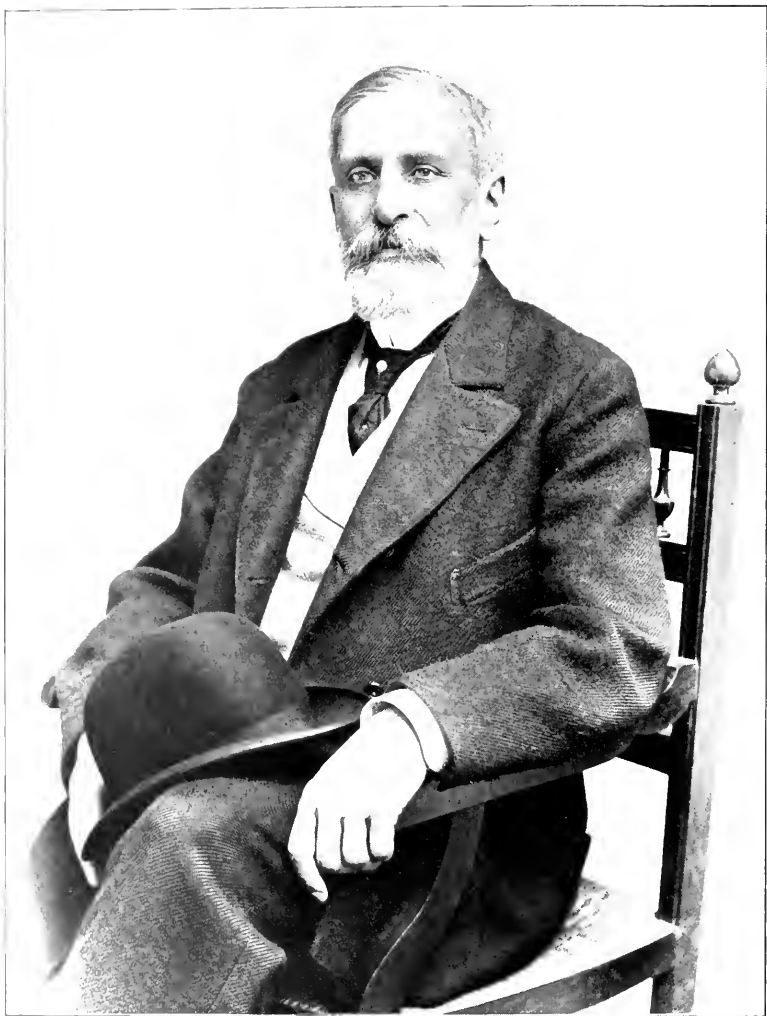


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BULLETIN
OF THE
National Association
OF
WOOL MANUFACTURERS,
1909.

FOUNDED NOV. 30, 1864.

EDITED BY WINTHROP L. MARVIN, *Secretary.*



VOLUME XXXIX.

BOSTON, MASS.
1909.

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BULLETIN

OF THE

National Association of Wool Manufacturers

A QUARTERLY MAGAZINE

DEVOTED TO THE INTERESTS OF THE NATIONAL WOOL INDUSTRY.

VOL. XXXIX.]

BOSTON, MARCH, 1909.

[No. I.]

REVISION OF THE TARIFF.

THE CASE FOR THE WOOL MANUFACTURERS, AS PRESENTED
BEFORE THE COMMITTEE ON WAYS AND MEANS.

SUMMARY OF THE STATEMENTS.

I. THE general argument on behalf of the wool manufacturers was presented by Mr. William Whitman of Boston, President of the National Association of Wool Manufacturers, with the indorsement of the Tariff Committee of the Association, on December 2, 1908, before the Committee on Ways and Means in Washington. Mr. Whitman stated that the manufacturers fully recognized their community of interest with the wool growers and asked for no reduction of the wool duties, believing that the growers were entitled to adequate protection, that a great national industry like that of the wool manufacture should be founded upon independence of foreign countries for the principal supply of its chief raw material — already 70 per cent of the wool used was produced at home — and that the encouragement of the sheep husbandry not only made for the security of the woollen industry but resulted in cheaper food and clothing for the people. No increase of protection was desired on the manufactures of wool, but Mr. Whitman requested that wool tops, a semi-manufactured article, be made dutiable under a lower classification, to correct a manifest inequality in the present law. Otherwise no alterations were recommended, for the present schedule was regarded as the most satisfactory ever drawn, and the protection

it gave was adequate for the best interests of the industry. It should be distinctly understood, however, that the customs administrative law should be strictly enforced. An exact statement of comparative costs of production here and abroad was not practicable for reasons which Mr. Whitman carefully explained. Manufacturers were not admitted to the factories of Europe, and every avenue of information regarding the foreign industry was jealousy guarded. Even if there were facilities for procuring such information, there were few, if any, fabrics that could be considered staple fabrics, and they were almost always undergoing changes of construction, while there was an infinite variety of patterns, styles, colorings, and combinations. Another obstacle to an exact comparison of costs of production was the many sub-divisions of the industry at home and abroad. There was no established system among manufacturers of estimating the cost of manufacture, and such a cost in the case of any given product would vary according to individual methods of calculating. In entering into any comparison of costs with foreign countries such foreign costs should be calculated on the same principles as American costs, though necessarily the basis would be different, and it would be difficult to eliminate from such an investigation the selling price and cost of distribution both abroad and at home. The wages and profits in the wool manufacture were not excessive. They were no higher than were essential to command the requisite capital and labor. The wool manufacture had not been attractive to investors, and if profits and wages were reduced capital and labor would be diverted to other and more favored callings. The wool growers of America could find no market for their product outside of the United States, and the manufacturers of clothing must have access to a great and varied output of fabrics developed to meet the peculiar needs of the American people. The wool manufacture took its materials in the raw state and transformed them into highly finished goods. There was no monopoly in the industry, and the duties did not prohibit importations — in fact, imports had increased. Under the Dingley tariff the wool manufacture had made reasonable progress, advancing in capital invested from \$310,179,749 in 1900 to \$370,861,691 in 1905, and in value of product from \$296,990,484 to \$380,931,003. Wages had increased nearly one-third from 1897 to 1907, and imports had grown from \$24,150,565 (duty-

paid values) in 1898 to \$42,349,232 in 1907. As one result of adequate protection, the uniforms required for the enlarged army and navy could now be produced entirely in the United States. Mr. Whitman asked that that protection be maintained without reduction. In connection with his statement he submitted three pamphlets which had been published by the National Association of Wool Manufacturers: "What Are the Protected Industries?" "The German Agreement," and "Should There Be a Ten Per Cent Margin for Undervaluation of Imported Merchandise?" Mr. Whitman asked for the abrogation of the German Agreement.

II. Supplementing the argument of Mr. Whitman there was submitted by the Tariff Committee of the Association, at the request of Chairman Payne of the Committee on Ways and Means, an explanation and defence of the present system of compensatory duties, which has stood in the tariff since 1861, practically unaltered, except in the brief free wool period of 1894-1897. A historical statement of the origin of this system was given, and there was a recapitulation of the most important testimony presented in behalf of it in the successive tariff revisions of 1867, 1883, 1890, and 1897, including the lucid argument of Senator Aldrich in 1890. Besides this recapitulation of past evidence, there was submitted a large number of new and fresh statements by representative wool manufacturers and wool merchants, showing that in actual practice about four pounds of unwashed wool were required to make a pound of finished cloth, and that, therefore, the long accepted basis of the compensatory duties was just and accurate. This was the testimony of both carded woolen and worsted manufacturers, and the statements were corroborated by the evidence of importers of wool and of manufacturers of tops. There were separate statements showing the shrinkage from unwashed wool to scoured wool, and from scoured wool to cloth. The proportion of three pounds of unwashed wool to one pound of scoured wool has long been accepted as a fundamental proposition in the framing of the wool and woolen schedule, and this was confirmed by the annual statement of the National Association of Wool Manufacturers, giving the average shrinkage on all American wools as 60.5 per cent. An additional statement as to the compensatory duties

was presented subsequently by the Tariff Committee of the Association, still further confirming the previous evidence by the statements of manufacturers and wool dealers not included the first time.

III. In pursuance of the plan to make the fullest possible presentation of the case, the Tariff Committee of the National Association of Wool Manufacturers submitted on February 10, 1909, to the Committee on Ways and Means another statement commenting on and justifying the separate paragraphs in the wool and woolen schedule that related to the various manufactures of wool. As to yarns, it was pointed out that the present duty did not prohibit the importation of considerable quantities of yarns of higher cost, and in this connection there was offered a remarkably exact and comprehensive statement from Mr. Walter Erben, President of the Erben-Harding Company of Philadelphia, who had exceptional facilities for comparing wages and other factors in production as between England and Pennsylvania. As to cloths, it was shown in further comment that the imports for ten years represented a foreign value of \$45,005,603, displacing about \$90,000,000 worth of American goods and composed chiefly of the higher grades of fabrics, in which the American are in close and constant competition with the foreign manufacturers. The foreign mills enjoyed not only the advantage of cheaper materials, cheaper wages, cheaper construction and equipment, but the added advantage of the superstition that imported fabrics were necessarily superior to those made in the United States. In the cloths of lower cost, it was true that American manufacturers well nigh controlled the American market, but they did so for the simple reason that, producing in great quantities, they were able to effect all the economies possible with such a large volume of production, and that domestic competition fixed prices at such a point that importation was unprofitable. A reduction of duty might flood the American market with cheap, shoddy foreign goods, as happened under the Gorman-Wilson tariff. As to blankets and flannels, importations were not considerable, simply because there was large and active production and keen competition by the manufacturers of the United States. These manufacturers were not making excessive profits. Statements of a

number of representative blanket mills procured and submitted showed an average annual profit of 6.21 per cent on total sales. A reduction of a few cents on the cost of a blanket would be secured at a high price if it involved the crippling of the American blanket manufacture. Imports of flannels were relatively small for the same reason — that American manufacturers were producing good fabrics at a reasonable cost.

As to dress goods, Italian cloths, linings, etc., whether all wool or cotton warp, the imports increased from a total foreign value of \$31,488,575 in the half decade from 1893 to 1903 inclusive to \$45,628,846 in the half decade from 1904 to 1908 inclusive. This meant real and aggressive foreign competition with American industry, with popular prejudice assisting the foreign manufacturers. A reduction of duty on these fabrics would work serious injury to American manufacturing. The total production of such goods, composed wholly or in part of wool, in the United States according to the census of 1905 was valued at \$73,173,154.

IV. President William Whitman of the National Association of Wool Manufacturers replied, at the request of Chairman Payne of the Committee on Ways and Means, to a letter of Edward Moir, of Marcellus, N.Y., in which Mr. Moir criticised the conference of committees of wool manufacturers and wool growers in Chicago on October 15, 1908, and objected to the single rate of duty on washed wool of Class II as giving worsted manufacturers an undue advantage over carded wool manufacturers. Mr. Whitman said that the Chicago conference was held on the initiative of the wool growers to discuss matters of mutual interest, and that the declaration for adequate protection for both wool growing and wool manufacturing was simply a reaffirmation of the resolutions adopted by a joint convention of growers and manufacturers at Syracuse, N.Y., in 1865. On the second point of Mr. Moir's letter, Mr. Whitman said that the total import of Class II wools was a very small proportion of the total American consumption, that these Class II wools had always been imported in a washed condition, and that their price abroad had always been enough higher than the price of unwashed wools to bring them to a parity of value in a scoured state under normal circumstances. A double duty on these

washed wools would be prohibitive. There had always been carded woolen as well as worsted manufacturers in the National Association of Wool Manufacturers.

V. In another statement addressed to the Committee on Ways and Means, President Whitman considered at more length the single duty on washed wools of Class II, and emphasized the advantage of specific as compared with ad valorem duties. The whole trend of modern economic thought favors the specific form of duty. The German tariff, enlogized as the most scientific in the world, is on a specific basis, and the tendency in the United States has been towards a greater number of specific and fewer ad valorem duties. The specific duty is precise, unvarying, and proof against undervaluation. It guarantees the full measure both of protection and of revenue. It is a certain quantity. The ad valorem duty changes, and when most needed is least effective. American wool growers have always opposed it. Moreover, an ad valorem duty on wool would not provide the proper basis for the compensatory duties on manufactured goods. No satisfactory plan of this kind has ever been devised. The compound system, specific compensatory duties joined with ad valorem protective duties on the goods as now exemplified in the tariff, is the best working system.

Combing wool from England and Canada has always been imported washed, and the single duty on this wool of Class II has stood in the tariff for almost forty years. This involves no discrimination against any branch of wool manufacturing. Though these English and Canada wools are used to make lustrous goods like coat linings, etc., they could be employed in men's wear worsteds if goods from these wools were desired. Nearly all wools are now suitable either for worsted or woolen manufacture so far as manipulation is concerned. Combing wool from England and Canada forms only a small fraction, less than 4 per cent, of the total wool consumption of America, and bestows no undue advantage on the worsted branch of the industry.

VI. Another statement submitted by the Tariff Committee of the National Association of Wool Manufacturers to the Committee on Ways and Means was a paper prepared by Mr. Charles H. Harding, of the Erben-Harding Company of Philadelphia,

relative to ad valorem duties on wool. Mr. Harding is earnestly opposed to this proposition. The specific duty has been almost uniformly applied to wool in the tariffs from 1861 onward. During the Gorman-Wilson tariff, when wool was free of duty, Mr. Harding's company imported one lot of heavy Australian wool, the kind said to be discriminated against and excluded by a specific duty, but though wool was free the experiment proved unsatisfactory and was not repeated, and the heavy wools bought at later sales were intercepted and sold abroad. Under any duty or without duty, as a general conclusion, the American demand for foreign wool would center on the best bred wools of the lightest shrinkage. Outside of Australia, London, Liverpool and Antwerp wools are not commonly sold at auction. Elsewhere, sales are by private bargain, and even as to the wools sold at auction the great clips of Australia are sold at different markets and divided among successive sales. Prices secured for the same kinds of wool vary from day to day, and wool is repacked and remarked. To fix value and collect a proper ad valorem duty would be very difficult. Such a system would encourage fraud, drive business away from the honest merchant or manufacturer, and lessen the effective protection of the wool grower.

Supplementing Mr. Harding's statement, a letter was presented from Mr. John G. Wright, of Boston, a wool importer of large experience, who stated that clothing wools were worth less than combing wools in Europe as well as in this country, the difference being usually at least ten cents per scoured pound. If those manufacturers who thought they would be benefited by an ad valorem duty on wool would take into account what they would lose in compensatory duties, they would prefer the specific system. If wool manufacturing became unprofitable, the wool dealer and importer would eventually share the loss. Ninety per cent of the wool manufacturers of the country favored maintaining the present system of tariff adjustment.

VII. A separate important statement laid before the Committee on Ways and Means by the Tariff Committee of the National Association of Wool Manufacturers dealt with the profits of manufacturing. The full text of the careful analysis of the profits of a number of manufacturing concerns in Massachusetts made by Gen. William F. Draper and referred to by Mr.

Whitman in his testimony before the Committee on Ways and Means was presented. General Draper found the average net profit of sixty-five manufacturing companies engaged chiefly in textiles to be 4.86 per cent on the capital stock. Another and a later statement prepared by Mr. Frank A. Ruggles, statistician, and presented by President Whitman showed the operation of forty-five New England manufacturing corporations, the majority of them engaged in cotton but some in wool, the net average return on their average capital being 6.77 per cent. In further paragraphs of this statement, public accountants offer the precise figures of profits calculated in another way — on the total sales. This method shows an average net profit on sales of 5.2 per cent for one corporation, 2.03 per cent for another very large corporation, and 2.06 per cent for a third corporation.

As bearing on this matter of profits, a statement as to relative wages and cost of operation of wool manufacturing in the United States and Germany was offered by Mr. Julius Forstmann of Passaic, N.J., who has had valuable experience on both sides of the Atlantic, and was a member of the recent Tariff Commission of Germany. He stated that he was paying here \$2.25 for the same work which a German mill hand performed for \$1.00, and that the cost of erecting and equipping a mill was 50 per cent greater here than there. A comparison of wages and production in the making of worsted yarn in England and in Pennsylvania was given by Mr. Walter Erben, President of the Erben-Harding Company, of Philadelphia. Mr. Erben, who has had opportunities for observation in both countries, set the wage rates here at 225 per cent above the Bradford schedule, and worked out his estimates in much detail not only as to wages, but as to material and actual operation.

Another feature under this head was a description of the downfall of the wool manufacturing industry of Canada, because of the Imperial preference and inadequate protection, as exemplified by the Montreal Woolen Mill Company.

Finally, in summing up this statement, the Tariff Committee of the National Association of Wool Manufacturers recorded its earnest disapproval of the proposed Tariff Commission to supervise the work of tariff making. Such a Commission could only be an external advisory body, because Congress would not surrender its constitutional right to originate and frame revenue

legislation. There could be no non-partisan Tariff Commission, for the difference between protectionists and free traders was irreconcilable and they could not work together. A commission always keeping the tariff question stirred up would have a feverish and harmful effect upon the country's business. Every good purpose that a Tariff Commission could serve was being served very much more effectively now by the Committee on Ways and Means, standing in character and ability head and shoulders above any outside commission that could possibly be secured.

The monthly wool prices current of Ronald & Rodger, Liverpool, are appended.

VIII. A careful, detailed analysis was submitted of the report of Mr. W. A. Graham Clark, special agent of the Bureau of Manufactures of the Department of Commerce and Labor. A summary of this analysis follows it.

IX. On the matter of wool tops, President Whitman on December 8 sent a letter to Hon. Henry S. Boutell of the Committee on Ways and Means, transmitting a little book, "Tops, a New American Industry." There was subsequently presented to the Committee a full statement, "The Facts About the Wool Top Duty in the Dingley Tariff," answering the charge of Mr. Frank P. Bennett that the Association had been instrumental in having the duty on tops fixed at an excessive figure in the Dingley law. This statement shows that the high duty on tops was actually desired and secured not by the manufacturers, who openly opposed it, but by the wool growers, who sought additional protection for their industry because imported tops under an erroneous classification had at one time displaced native wool. At that time Mr. Bennett was one of the principal officers of the wool growers' organization. A letter from Mr. Theodore Justice was added, proving beyond dispute that the duty on tops, of which the manufacturers have asked a correction, was secured by the wool growing interests.

X. Some additional light was thrown on the question of the top duty in the Dingley law, and ad valorem duties on wool were considered and objected to in a letter from Mr. Charles H.

Harding, of the Erben-Harding Company of Philadelphia, to Hon. John Dalzell, of the Committee on Ways and Means. Mr. Harding had been buying wool for his firm in London for twenty-five years.

XI. A letter from William H. Grundy & Co., worsted spinners of Bristol, Pa., to Hon. E. J. Hill, of the Committee on Ways and Means, gave additional information on the question of compensatory duties. This letter figured out in detail the process of carrying forward a thousand pounds of wool to the scoured condition, to tops, and to yarns, showing that the one thousand pounds of wool would produce 257 pounds of yarn. The loss and cost were stated at every stage of the procedure. Messrs. William H. Grundy & Co. in this letter further affirmed, as a result of their own extended experience, that 75 per cent of the wool grown in this country would shrink from 60 to 80 per cent, and they put themselves on record as strong believers in and supporters of the duties on wool in their present form and rates, and emphasized the importance of the compensatory duty not only to the spinners and manufacturers but to the wool growers themselves.

XII. In a letter to Hon. Henry S. Boutell, of the Committee on Ways and Means, J. Capps & Sons, Ltd., of Jacksonville, Ill., urged that the duty on raw wool was necessary to the proper development of sheep husbandry and the maintenance of an adequate domestic supply of wool and mutton. These manufacturers endorsed as entirely convincing the statement of Representative Hill of the Committee on behalf of the compensatory duties, and they argued that the protective or ad valorem duty on the manufactures of wool was justified by the development of the industry in the United States and the increasing disparity between the wages of American and foreign operatives. This letter emphasized especially the fact that there was no trust or combination in the wool manufacturing industry, that no single corporation or interest dominated it, that wool manufacturers had not been accused of violating any of the Federal laws relative to interstate commerce, and that the great private fortunes of the country had not been accumulated in the business of wool manufacturing.

XIII. In a letter to Chairman Payne, written at the request of Hon. Butler Ames, Representative from the Fifth District of Massachusetts, the United States Bunting Company of Lowell submitted an important statistical statement showing American and British costs of producing a fine worsted coating, with the comparative proportion of material, labor, and general expense and the amount of protection afforded by the present duties, as well as by a specific duty of 32 cents per pound based on a duty of 8 cents per pound on wool and an ad valorem duty of 50 per cent. As a result of these calculations the company declared that under the present rates of duty the compensatory duty afforded a very slight incidental protection, but that a duty of 32 cents a pound would afford no incidental protection whatever.

XIV. On February 16, 1909, Mr. Charles H. Harding appeared as a witness before the Committee on Ways and Means, and was subjected to a close examination by Chairman Payne, Mr. Dalzell, and others. His testimony, reprinted in this Bulletin on page 219, went to show that it was impracticable to fix with exactness the amount of clean, pure wool that would result from any given lot of unwashed wool, that a compensatory duty on the goods could not be accurately based on an ad valorem duty on wool, that an ad valorem duty would be an invitation to fraud on the revenues, and that there could be no guarantee that imported wools would be marked so that they could be properly identified when brought into the United States.

Mr. Harding said that some wools might have in them a great deal of burr and chaff and grass, etc., and that it was a very serious consideration to know what percentage of the wool would be lost in getting those things out of the scoured wool. He described in detail the manner of examining and purchasing wool in the London auction sales. Even if the wool were sold by auction, it would be impossible to fix a fair value as the basis for an ad valorem duty, and it was only wools of Australia and wools forwarded to London from a few other points that were sold at auction. When he went into business, London was selling 70 per cent of the Australian clip. Last year the colonies sold 70 per cent of their clip. This year London took more. With an ad valorem duty the importing business would pass out of the control of honest importers and manufacturers, and would go

into the hands of rascals. The French tariff, the British tariff, the Spanish tariff, the German tariff, the Cuban tariff, were all founded on a specific basis. Ad valorem duties were a peculiarity of the United States. As to the duty on tops, Mr. Harding, in reply to an inquiry from Mr. Clark of the committee, stated that President Whitman of the National Association of Wool Manufacturers knew nothing about the arrangement of this duty in the Dingley tariff, and that the responsibility for the erroneous classification, a correction of which the Association had requested, really lay with the spokesmen for the wool-growing interests. Mr. Harding thought that the present wool and woolen schedule was more advantageous to all the people engaged in all branches of the industry than anything else that had been proposed. As a worsted manufacturer he was now using the same wool for making worsted yarns that was sometimes used for making woolen yarns — he was making worsted yarns entirely out of merino wools.

XV. President William Whitman of the National Association of Wool Manufacturers, in a letter addressed to Representative Charles G. Washburn, of Massachusetts, presented tabular statements showing the loss in revenue that would result from a reduction of one cent a pound in the duty on wool and a corresponding reduction in the specific duty on woolen goods. This statement showed that such a reduction in duty would produce a serious loss in the income of the government, already inadequate to meet the current expenditures.

XVI. A statement in opposition to the tariff commission idea, addressed to Chairman Aldrich of the Senate Committee on Finance and to Chairman Payne of the House Committee on Ways and Means, was presented by President Whitman of the National Association of Wool Manufacturers. Mr. Whitman pointed out that this scheme had shrunk from a mandatory body dictating tariff rates to Congress, first to a group of "experts" recommending rates, and now to a commission to gather information for the use of the committees of Congress. These changes were in effect an acknowledgment that the whole scheme was impracticable. The real question was whether a tariff commission simply to gather information could serve any useful purpose.

Congress already was abundantly equipped with such facilities. Besides the Bureau of the Census, there were the Bureaus of Statistics in the Departments of Commerce and Labor and of Agriculture, the Bureau of Labor, the Bureau of Manufactures, the Bureau of Trade Relations, and the consular reports. Instead of too little machinery, there was probably too much, and the idea of a new and separate organization was preposterous. If expert assistance were desired, it could be secured by the Committee on Ways and Means. However faithfully Federal commissions labored, the committees of Congress had insisted on making their own investigation. The Constitution gave the House the right to originate revenue legislation, and the House as well as the Senate, whose concurrence was necessary, would never surrender this. Business men were naturally solicitous to get the tariff question lifted out of politics, but the tariff for more than a hundred years had been the historic question over which the great political parties had contended. Protection and free trade were as absolutely irreconcilable as the gold standard and free silver coinage. A non-partisan tariff commission was impossible, and the only way in which the tariff question could be taken out of politics would be to defeat the free trade party as overwhelmingly as the free silver party had been defeated. A permanent tariff commission constantly active would be a plague to the country's business. President Taft was right in urging that there could be no full prosperity until the present tariff revision was completed, and after that the country wanted a ten years' rest from tariff agitation. A tariff commission, through the unrest which it would cause, might do millions of dollars of damage to the country's business interests. Mr. Whitman stated that he spoke as one who believed in most thorough investigation in tariff making, and that every industry ought to submit a full and honest statement of the case in Washington. This had been done by the National Association of Wool Manufacturers. The full testimony of the Association was being printed, as a matter of historical record. The Association believed in turning light on the tariff and believed that the more light there was the more impregnable the protective policy would become. But that light should be turned on for the direct information of the committees of Congress immediately charged with the great responsibility of tariff making.

THE DUTIES ON WOOL AND WOOLENS.

ARGUMENT BY WILLIAM WHITMAN ON BEHALF OF THE
NATIONAL ASSOCIATION OF WOOL MANUFACTURERS
BEFORE THE COMMITTEE ON WAYS AND MEANS,
DECEMBER 2, 1908.

I REPRESENT and am authorized to address you on behalf of the National Association of Wool Manufacturers, of which I am president, also on behalf of the American Association of Woolen and Worsted Manufacturers, and on behalf of the Manufacturers' Club of Philadelphia. These organizations combined embrace the common interests of those engaged in the manufacture of wool from the raw material to the finished cloth. I have, however, no authority to speak for the carpet interest.

The National Association of Wool Manufacturers was organized in 1864, and is one of the oldest, if not the oldest, association of its kind in the country. During all the years that have elapsed since its formation it has been engaged in defending the woolen industry from the assaults of those opposed to the protective policy of this nation, and I believe it is safe to say that until very recent years the woolen tariff has been the pivotal point of attack by the enemies of the protective policy. Because of this no other national industry has been subjected to so many and such violent assaults, culminating in the abrogation of the wool duty in 1894, and the consequent removal of the compensating duty on goods. The wool duties were restored in 1897 by the present law, under which more substantial progress has been made in the woolen industry than during any corresponding previous period. We have shared in the common prosperity of that era of unexampled national development. While we believe we have not had our full proportion of this prosperity we have not at any time been so discontented as to ask for tariff revision.

FAIR PLAY FOR ALL INTERESTS.

While we have not claimed that the existing law was to be regarded as sacred, and could not be improved upon; nor doubted the wisdom and justice of Congress in the enactment of a new

law, we have during the past five years believed that any gain that might come to us under a new law would be more than offset by the evils necessarily attending tariff agitation. Therefore our industry has not joined in any movement for increasing, reducing, or removing any duties in any industry. The time having come, however, when it is deemed wise to revise the tariff, and you having already entered upon the work of revision, I am here not only to address you on behalf of the woolen industry and to make to you such suggestions as seem pertinent, but also to offer the services of the National Association of Wool Manufacturers to furnish you with such information in writing as it may be able to give in response to some specific request from you. My personal statement will deal only with general conditions and will not be overburdened with statistics. Permit me to preface further remarks with an expression of what I assume to be the underlying principle in all tariff revision, which I hope may guide you in your decisions.

The economic policy of this country should be governed by the interests of its productive industries, which give to the country its wealth, to its labor remunerative wages, and to its people the comforts of life. Commercial and general prosperity must inevitably accompany prosperous agriculture, mining, and manufacture.

Our chief raw material is wool. We do not ask for any reduction from the duties thereon, believing that the existing rates should be maintained. Our chief reasons for assuming this position are :

(a.) We believe that American wool growers are entitled to protection against foreign wool growers.

(b.) We believe it to be essential that a great national industry, like that of the woolen industry, should be founded upon independence of foreign countries for the principal supply of its chief raw material. The American wool grower already supplies 70 per cent of the wool used in the wool manufacture.

(c.) We believe that the encouragement of the sheep husbandry not only makes for the security of the woolen industry, but results in cheaper food and clothing for the people.

It is undoubtedly true that classes of imported wools, used very largely in this country, are not grown here and cannot be grown to advantage. It is equally true that some foreign wool

used in this country is superior for some fabrics to home-grown wools ; but we also believe it to be true that all imported wools compete either directly or indirectly with American wools. The considerations I have mentioned appear to us to be relatively insignificant compared with the importance of maintaining a national industry based upon home-grown wools made into products having the especial characteristics of such wools. While I believe American wools are capable of being greatly improved, yet, in my judgment, even as they are now they are the best wools grown in the world for use in clothing our people.

NO INCREASE OF DUTIES ASKED FOR.

We ask that wool tops, a semi-manufactured article, now dutiable under the blanket clause, or paragraph 364, in Schedule K, covering all manufactures of wool not specially provided for, be transferred to and made specifically dutiable under paragraph 365, relating to yarns. This is a reduction of duty, but we believe that the change will leave sufficient protection.

We do not ask for any increase whatsoever in any of the duties now protecting the manufactures of wool, for we regard the present schedule as the most satisfactory ever drawn, and the present protection as adequate for the best interests of the industry. In expressing our content with existing rates in the schedule, it is with the distinct understanding that the customs administrative law shall be strictly enforced.

COMPARATIVE COSTS NOT PRACTICABLE.

We should have been glad to furnish you with information relating to comparative costs of production of woollen goods in foreign countries and the United States, but this is unobtainable. Our manufacturers are not admitted to the factories of Europe, and it is not possible to secure reliable details from foreign manufacturers regarding either costs, operations, or systems of production. Every avenue of information regarding the foreign wool manufacture is jealously guarded from American inquiry by foreign manufacturers ; but even if we were granted every opportunity for investigating costs of production both abroad and at home, we do not believe the results would assist you in revising the woollen tariff under conditions that now exist in the industry.

There are very few, if any, woolen fabrics that can be considered staple fabrics. Such as might possibly be so regarded are not made exactly alike by either foreign or domestic manufacturers; nor are they made exactly alike by the same manufacturers for a continuous period. So-called staple fabrics are nearly always undergoing changes of construction in conformity with the varying quantities and character of raw-wool production and changing prices to meet the demands of buyers to produce garments at fixed prices. The variety of fabrics included under the classifications of Schedule K is so extensive that they cannot be enumerated, much less compared.

One or two simple illustrations will give you some idea of the variety of the product. In cotton-warp dress goods, cotton yarns are used in numbers from 20s (1 pound of which yarn contains only 16,800 yards of length of a single strand) up to 140s (1 pound of which contains 117,600 yards, or 67 miles in length of a single strand). The product of a spinning spindle on 1/20s is 1.8 pounds per week of fifty-eight hours, while the product on 1/140s is only one-eighth of a pound per week. It would be beyond the scope of a statement of this character to attempt a description of the varieties, forms, and combinations of such yarns in manufacture. In cloths, wools are used varying from 2 inches to 18 inches in length, and the fibers of such wools vary from one five-hundred-and-fiftieth to one two-thousandth of an inch in diameter. These different classes of wools require different machinery and different systems of machinery for working them, and there is a wide variation in the product of the different wools from the different machinery. Woolen yarns are used in sizes from 1600 yards to 56,000 yards to the pound; cloths vary from 27 inches to 60 inches in width and from 3 ounces to 20 ounces per square yard in weight. The threads per inch in the filling vary from 24 to 300. In this connection it is necessary to consider the infinite variety of patterns, styles, colorings, and combinations embraced in this immense variety of fabrics, all of which are constantly changing under the capricious dictates of fashion.

Another obstacle in the way of such investigation arises from the many subdivisions of the industry both at home and abroad, and more especially abroad. The wool comber produces the tops; the worsted spinner produces the yarns; the weaver makes

the cloths; the dyer colors the goods or, if they are yarn-dyed fabrics, dyes the yarn before it is woven; the merchant makes up and packs the goods in the form required by buyers.

NO ESTABLISHED SYSTEM OF ESTIMATE.

What I have thus far stated is a mere sketch, and is only meant to serve as an indication of the difficulties attending an investigation into comparative costs; but were it possible to overcome all these difficulties, and were there an open door to all required information, we should be at once confronted with the fundamental questions, what is the cost of production and what is meant by the relative cost of production in different countries? There may be, doubtless there are, some commodities manufactured where the cost of manufacture can be determined with reasonable accuracy; but even with such, there must be wide variations in the cost according to locality, wages of labor, skill in management, trade conditions, and quality of product; and in order to determine the actual cost it will be found necessary to establish a given basis for calculations in order to make the comparisons of value. So far as my knowledge extends, there is no established system among manufacturers of estimating the cost of manufacture. It will be found on investigation that the cost of manufacture of a given product will vary according to individual methods of calculating.

Permit me to suggest the elements of factory cost which are to be embraced in any schedule for calculations on a given basis:

Cost of materials; cost of labor; cost of supplies; cost of repairs; expenses; transportation; cost of power; cost of management; fixed charges, including insurance, taxes, rents; interest on borrowed money; capital charges, including interest on value of plant, interest on active capital employed; depreciation on buildings, machinery, and equipment; reserve for contingencies, such as bad debts, depreciation of materials, diminished production or stoppage of mills.

In considering these, the following questions naturally arise:

1. Shall the costs indicated be based on a maximum or minimum or an average production?

2. How shall the value of the plant be determined to secure uniformity of valuation ?
3. What rate of interest on capital is a proper rate ?
4. What is a proper charge for depreciation ?
5. What is a proper charge for reserves ?

VITAL FACTORS IN THE PROBLEM.

It is obvious that capital will not seek investment in manufacturing enterprises with their attendant risks unless with the expectation of a larger return than the legal interest on the whole capital employed, and it seems clear that those engaged in such enterprises as the woolen manufacture are entitled to a reasonable profit over and above that which would naturally accrue to capital from other kinds of investment; in fact, good returns serve as a stimulant to industry. The necessity of a common basis of valuation of the plant becomes apparent, because the estimates made by a man with a plant valued at \$200,000 would be very different from the estimates of him who owned a plant equally good and valued on his books at only \$50,000. In entering into any comparative cost with foreign countries it would seem clear that such foreign costs should be calculated on the same principles as American costs, though necessarily the basis would be different. It would also be difficult to eliminate from such an investigation the selling price and cost of distribution both abroad and at home.

But if I am in error in all that I have stated to you, and it should be found practicable to determine with precision comparative foreign and American manufacturing costs, their value after all would be only temporary, because there is and always will be a constant evolution in the woolen industry, and a continual change in the amount of protection afforded by the *ad valorem* rates of duty to American manufacturers, because of the changing values abroad. Therefore, it seems to us in considering the revision of the tariff on woolen manufactures the practical way of arriving at correct results is through the following inquiries :

1. Are the work people engaged in this industry being paid excessive wages ? We answer, We do not think they are.
2. Are the others engaged in the industry, those in the management and those in the ownership, whether private or

corporate, receiving excessive profits in their business? We answer, They are not.

3. Is there any monopoly in the manufacture of woolen goods or any branch of the woolen industry? We answer, There is not.

4. Are the duties now imposed on woolen goods so high as to prohibit importation? We answer, No; the importations have increased.

If we are correct in this reasoning it would appear that a lowering of the tariff would reduce the wages of labor, and should this be true our labor would flock to other and better-paid industries; or if the reduction should diminish the profits to those engaged in the wool manufacture, then it would follow that other investments would be more attractive and the woolen industry would lose its capital.

PROSPEROUS UNDER THE PRESENT TARIFF.

Under the Dingley law from 1897 to the present time the wool manufacturing industry has made reasonable progress, recovering from the severe depression that resulted from the Gorman-Wilson law of 1894. According to the records of the Bureau of the Census there has been a steady growth in the wool manufacture, indicated by a comparison covering half a decade, as follows:

	1900.	1905.
Capital invested	\$310,179,749	\$370,861,691
Number of employees.....	163,603	185,592
Cost of materials.....	\$181,159,127	\$242,561,096
Value of product	\$296,990,484	\$380,934,003

The United States stands first among manufacturing nations in the amount of wool consumed, but the United Kingdom and France produce larger quantities of the finer goods, so that in the total value of the wool manufacture the United States stands in all probability third, or close to Germany. Our great volume of production of woolen goods has an important effect upon the world's range of prices. If the American wool manu-

facturing industry were seriously injured and its output reduced by tariff changes the prices of woolen goods would rise all over the world.

The American home market is by far the greatest market in the world for wearing apparel of all kinds, and particularly for the woolen and worsted fabrics required by our relatively severe climate. The American people, the most prosperous in the world, buy more and better clothes than the people of other nations. Practically all of the products of American mills are absorbed by the American market. Great Britain, France, and Germany, producing great quantities of woolen and worsted fabrics, all export a large proportion of these goods. Their domestic market, in its regular demands, is not comparable with that of America.

A MOST IMPORTANT INDUSTRY.

The actual value of the wool manufacturing industry is not adequately set forth in published statistics. To say that there is \$370,861,691 of capital invested in this industry, employing 185,592 people and producing goods of a value of \$380,934,003 in a single year, does not give an exact idea of its importance, for these figures do not include the great wool growing industry on the one hand or the manufacture of clothing on the other, and both of these interests are dependent upon the efficiency and prosperity of the wool manufacturing industry for their own prosperity. The wool growers of America can find no market for their product outside of the United States, and the manufacturers of clothing must have access to a great and varied output of fabrics developed to meet the peculiar tastes and needs of the American people.

Unlike some other manufacturing industries, the wool manufacture takes its materials in the raw state from the farms and ranches and by its own processes transforms this raw material into highly finished goods. The woolen or worsted factory is therefore far more than a mere place where many products already finished are assembled. It is a complex, difficult, ambitious manufacture, and yet its finished product, the woolen or worsted fabric, is but the raw material of another industry, of the manufacturer of clothing, the wholesale clothier, the merchant tailor, and the dressmaker. All these trades are directly and

vitaly interested in the welfare of the wool manufacturing industry of the United States.

NO TRUST OR MONOPOLY.

This industry of wool manufacturing is not dominated by any trust or monopoly. According to the census of textile manufactures for the year 1905, there are more than 1200 wool manufacturing establishments in this country, of which 333 are operated by individuals, 311 by firms and partnerships, and 567 by corporations. Here, as elsewhere, there is an undoubted tendency toward large corporate management, but individual manufacturers and firms and partnerships remain a very great and significant factor in the industry.

Not only is the wool manufacture in many hands and not dominated by any great trust or monopoly, but this industry is not one of those that can be accused of developing a large export trade through the expedient of selling goods abroad more cheaply than at home. The total exports of manufactures of wool from this country are and always have been relatively insignificant. These exports for the fiscal year 1907 amounted to only \$2,239,106, or a little more than one-half of 1 per cent of the total annual product of American mills. These exports, by the way, consisted largely of ready-made clothing sold in the near-by markets of Canada and Mexico.

ONLY A MODERATE PROFIT.

The wool manufacture has not been profitable enough to be attractive to investors. Stocks of corporations engaged in this industry are not eagerly sought, and it is difficult to dispose of them. Dividends are relatively small. Exceptional cases of large profits are due to accretions of capital during a long series of years remaining uncanceled — that is, to undercapitalization — or to extraordinary skill in management. Few great fortunes have been made by wool manufacturers, and these few, as a rule, have been acquired in enterprises and investments outside of this manufacturing industry.

A few years ago Gen. William F. Draper, one of the clearest thinkers and ablest economists of his time, a former distinguished Member of Congress, personally known to many of you, and

himself a remarkably successful man of business, made a careful computation of the profits of sixty-five typical Massachusetts manufacturing corporations for a ten-year period. The result of this precise examination showed that these New England manufacturing concerns, among which many textile establishments were included, had made in the decade actual profits averaging only 4.86 per cent on the par value of their stock and 3.87 per cent on the selling value of their stock. This certainly is only a moderate return on the capital invested and on the skill and energy requisite for the prosecution of a business far more hazardous than most mercantile pursuits. General Draper's research affords proof of an economic truth which no disinterested observer will dispute — that the greatest fortunes of this country, as a rule, have not been won in textile manufacturing.

PROTECTION SHOULD NOT BE REDUCED.

We ask that the present system of compound duties, established as early as 1867, be maintained; that the specific duties compensatory for the duties on wool should not be changed, and that the present *ad valorem* rates on manufactured goods be kept without reduction. The reasons in favor of the specific duties compensatory for the protection given to the wool growers of this country have been advanced in every tariff discussion since 1867, and are equally valid and unanswerable at the present time. It is not necessary for me to occupy your time by an elaborate argument in behalf of adequate protection for the wool growing industry, so essential to the prosperity of American agriculture. Nor is it necessary to contend at any length that the wool manufacturers should be fairly compensated for the cost of the tariff protection on their raw materials. I shall therefore confine myself to a brief statement of a few of the chief reasons why the present *ad valorem* rates for the protection of the manufacturers should be maintained without reduction.

FOREIGN IMPORTS STEADILY INCREASING.

The protective duties covering the wool manufacture are not prohibitive. Under the present tariff there has been a steady and considerable increase in importations from abroad, as follows:

IMPORTS OF MANUFACTURES OF WOOL ENTERED FOR CONSUMPTION, FISCAL YEARS ENDING JUNE 30, 1898-1907.

Year.	Foreign Values.	Duty-paid Values.
1898.....	\$13,500,241	\$24,150,565
1899.....	13,978,852	27,249,433
1900.....	15,620,487	29,905,268
1901.....	14,729,450	28,178,756
1902.....	16,977,872	32,526,112
1903.....	19,302,007	36,866,701
1904.....	17,632,313	33,961,347
1905.....	18,021,042	34,568,634
1906.....	22,353,591	42,538,640
1907.....	22,357,206	42,349,232

The increase during the period of ten years was, in round numbers, about 70 per cent.

In the first column the values are those set upon the goods abroad, and these are often less than actual values: for undervaluation is unfortunately a frequent practice of European manufacturers and exporters of woollen goods. In the second column are the foreign values with the duty added — and these duty-paid values are presented here because they are the fairer measure of the amount of American goods displaced in the American market by these foreign importations. These increased importations have been chiefly of the lighter and finer goods, in the cost of which skilled labor is an important factor. The American manufacturers of these goods are engaged in close and incessant competition with foreign manufacturers, who have the advantage of labor which, though cheaply paid, is thoroughly trained and efficient.

A full statement of the imports of manufactures of wool in all classes in the year 1898, and also in the year 1907, showing the increase of importations, is submitted herewith.

HIGHER WAGES FOR THE OPERATIVES.

Besides this heavy increase in foreign importations, which has pressed hard upon a large and important branch of the wool manufacture, there has been a marked increase in the wages demanded by the operatives. The records of the Bureau of Labor of the Department of Commerce and Labor show that in

the manufacture of woolen and worsted goods the increase has been from a ratio of 100.2 in 1897 to a ratio of 131.9 in 1907 — a gain of very nearly one-third in the earnings of the work people. These higher wages are the result of an imperative demand. Manufacturers have had to pay them in order to secure competent workers in competition with other American industries.

The wool manufacture is often described as a protected industry. But I should like to make right here the point that this is only a partially protected industry after all — an industry partially protected by the tariff as compared with other industries absolutely protected by nature or geography. Take, for example, the building trades. A house cannot be imported. A business block cannot be brought over bodily from Europe. Every dwelling, every warehouse, every church or schoolhouse in America must be constructed here, must be built from foundation stones to roof by American labor. Therefore the building trades are an absolutely protected industry. So is the publishing of a newspaper or the management of a bank or store.

But the product of the woolen or worsted mill, the yarn or cloth, can be made in Europe and laid down here at a trifling cost of ocean freight, to compete with and displace the product of American manufacturing. That the tariff gives us only partial protection the increasing volume of foreign imports shows.

In this connection, and as emphasizing the fact that the wool manufacture and similar interests are only partially protected industries, I wish to file as a part of my remarks a statement which I have prepared, "What are the protected industries?" and also a schedule of wages in the woolen industry drawn from the records of the Bureau of Labor of the Department of Commerce and Labor.

I do not care to take up your time in going fully into the question of what are the protected industries, but the pamphlet, while it is short, deals fairly fully with the subject.

Not only have the wages of operatives in this country been materially increased, but the whole tendency of law is toward a restriction of the hours of employment. Thus the Legislature of Massachusetts, by an act to take effect on the 1st of January, 1910, has reduced the maximum hours of labor in manufacturing and mechanical establishments from fifty-eight per week to fifty-

six, and this example will doubtless be followed by the law makers of other manufacturing States. Such restrictions, of course, reduce the earning power of capital by reducing the time in which great and expensive plants of machinery may be actively and profitably employed.

CLOTHING THE ARMY AND NAVY.

As one result of the protection given to the American wool manufacturer the uniforms required for the enlarged army and navy can now be provided entirely within the United States. Many hundred thousand yards of blue woollens and olive-drab worsteds are now furnished every year by American manufacturers for this purpose. The contract requirements of the Government call for the use of American fleece wools, grown, of course within the boundaries of the United States. The requirements of our Government are stricter than those of the British Government, and it is believed that the color of the British military fabrics could not stand the test of exposure that ours are compelled to undergo.

It may be safely stated that the army of the United States is now clothed better than any other army in the world. Goods of domestic manufacture are taken by the Government as the standard for its requirements. When the khaki-colored cloth, which renders a regiment invisible at 500 to 800 yards, was introduced, American manufacturers spent several months in experimenting with English cloth, testing it both for color and for quality. And they believe that they have now managed to produce a superior fabric.

This ability of our own mills to supply the needs of the Government is gratifying to patriotic sentiment, but it is even more than that, for it means that in case of an emergency American mills can easily produce a fabric of standard color and quality in quantities sufficient to clothe an army as great as the United States would ever have to raise. The manufacturers who have achieved this result are certainly deserving of all reasonable consideration from the Government. I have procured from the War Department and the Navy Department statements showing the quantities of clothing purchased during the past five fiscal years, and present these for the use of the Committee.

In behalf of the manufacturers of Philadelphia I would like to read this very short statement :

WAYS AND MEANS COMMITTEE, *House of Representatives* :

Unlike the iron and steel industry, where machinery manufacture cheapens the cost of production, the manufacturer of worsted and woolen textiles has no advantage over his European competitor in quantity produced; man for man, loom for loom, the production is the same. The climate of England, France, and Germany is better adapted for spinning than ours, and they can spin finer yarn from the same grade of wool than we can here, and consequently can run their spinning frames at a higher rate of speed, thus getting greater production. The oft-repeated story that an American workman can produce more than his brother abroad is false as far as the worsted and woolen trade is concerned.

Our mills have been built at a high cost of labor and materials and are partially filled with machinery that has paid a duty of from 30 to 60 per cent. All the numerous articles which go to equip a mill have cost from 30 to 50 per cent more than the amount required abroad.

Our wages are from double to three times the foreign standard, double what are paid in England and three times the amount paid in France and Germany.

There is no reason why the rates of duty should be lowered on worsted and woolen textiles, as conditions which prevail to-day are no different from those which prevailed at the time the Dingley bill became a law, with one exception, namely, our wages have increased.

We are importing from two to three million dollars per week, foreign cost, of dry goods, and this fact is conclusive proof that the tariff should be raised rather than lowered.

That is presented by Mr. N. T. Folwell, and attached to the paper is a statement of imports for the last week, taken from the New York Sun of November 29, which is as follows:

Imports of general merchandise and dry goods as reported at the custom-house compare as follows with those of last week and the corresponding week a year ago:

IMPORTS OF GENERAL MERCHANDISE AND DRY GOODS.

	This Week.	Last Week.	1907.
Dry goods.....	\$3,043,362	\$3,173,408	\$3,316,954
General merchandise	9,407,418	12,166,021	9,123,668
Totals	\$12,411,380*	\$15,339,429	\$12,440,622

Since January 1, 1908, \$558,102,382; 1907, \$768,705,887.

* Having no data at hand it is impossible to correct the error which is apparent in this statement. — ED.

Although I have spoken of the difficulties attending securing any information from foreign countries, we have secured, so far as worsted spinning is concerned, the cost of wages paid in Great Britain and in Belgium and in France. These were only received last night, and have not been put in proper form to present to the committee, but they will be in proper form and will be filed. Those figures, however, refer only to the wages of the operatives, and that is only a part of the question of wages.

So far as I am able to judge from these figures, the wages in the worsted and woolen industry in Great Britain are about one-half, rather less than one-half, the wages paid in New England and Pennsylvania. In Germany I think they are about one-third. In France they are probably more than one-third of our wages. I should estimate that perhaps our wages are equivalent to, say, two and a half times those of France. But when these are figured out, so far as they go the actual percentages will be stated.

The statement I have from England shows that our wages are 120 per cent higher than those of England. They correspond to-day pretty nearly, there being hardly any relative difference with the wages paid a good many years ago when I presented to the Ways and Means Committee of that time a table showing the wages paid in Yorkshire and the wages paid in the United States, and that table was absolutely accurate, and I do not think it has varied particularly from that time to this. That is, the relative rates have not varied. These papers were secured by Mr. Walter Erben, of Philadelphia; Mr. Frederic S. Clark, of Massachusetts; and Mr. Thomas H. Ball, of Philadelphia, and when I feel that they are in practical shape they will be presented and placed on file with the committee.

The so-called "German tariff agreement," negotiated by the Berlin commission, has aroused an earnest remonstrance from many textile manufacturers of the United States. It has seriously injured especially the hosiery industry of America, and the policy initiated by the agreement menaces every branch of our textile manufacturing. Open customs hearings, conceded in some cases by the agreement against the judgment of a great majority of the Board of General Appraisers, have had the practical effect of barring from these hearings witnesses deemed essential by the Government, while these open hearings have been commended by

German exporting interests as distinctly beneficial to German trade and industry.

The acceptance of certificates of value of German chambers of commerce under the terms of this agreement has had the practical effect of encouraging undervaluations of imported merchandise.

Here is a little information which only reached me last night. It is from the testimony of a German manufacturer in Lennepe, Germany. The original report is on file in the Customs Division of the Treasury. This is an extract from a letter of Herman Hardt in Confidential Agent Partello's report in the carriage cloth case against Hardt, Von Bernuth & Co., of New York, and Johan Wulfings' Sons, of Lennepe, Germany, read before General Appraiser Lunt in open hearing, April 17, 1907. If you feel interested in the matter of information, that can easily be gotten. I have not the original letter, but I will read you this extract:

We manufacture this kind of carriage cloth as a special make exclusively for the United States . . . and, as we have no market value in Germany, this price may be called its cost price and be taken as representing its market value. . . . Our factories lie far from large towns. . . . We employ male and female labor—the entire family finds constant work. This naturally keeps the rate of wages lower . . . than . . . where only male labor is available. In consequence of . . . cheap living, cheap rent, gardens, etc., a race has established itself with us undisturbed by the unrest of social democracy. We have, therefore, never felt obliged to raise our wages; this other firms have been obliged to do, sometimes to a great extent.

This letter appears in that case, which was a famous case tried in New York.

Such undervaluation, if supported by foreign chamber of commerce declarations, renders it all the more difficult to detect the real truth. The mischief already wrought to American manufacturing will be heightened if the executive recommendation to Congress is adopted for an amendment to the customs administrative act permitting undervaluations up to 10 per cent without incurring the payment of additional duties. On behalf of the two associations for which I am speaking, I wish to record my emphatic remonstrance against the German agreement and against this threatened change in the customs administrative law. The reasons for our objections have been fully stated in two pamphlets written by Mr. John Bruce McPherson, Secretary of the

National Association of Wool Manufacturers: "The German Agreement" and "Should there be a Ten Per Cent Margin for Undervaluation of Imported Merchandise?" I wish to present copies of these documents as a portion of my testimony.

And, gentlemen, I want to say of those two papers that they contain, I think, the fullest possible information on the subjects, written by an absolutely reliable man, with a synopsis of the contents in the front of each pamphlet. I would like to say here that our organizations are not at all antagonistic to the importing interests. All that we want, all that we ask, is to have the duties levied by Congress collected in accordance with the law for the protection of the honest importer and also for the protection of our industries, for which in part they are levied.

I thank you for the attention with which you have listened to my remarks.

COMPENSATORY DUTIES.

SUPPLEMENTAL STATEMENT SUBMITTED BY THE NATIONAL
ASSOCIATION OF WOOL MANUFACTURERS RELATIVE
TO COMPENSATORY DUTIES.

683 ATLANTIC AVENUE,
BOSTON, MASS., January 12, 1909.

HON. SERENO E. PAYNE, *Chairman Committee on Ways and
Means, House of Representatives, Washington, D.C.*

DEAR SIR: On behalf of the National Association of Wool Manufacturers, and in compliance with your request, we submit herewith a statement in regard to the present system of compensatory duties in the wool and woolen schedule of the tariff law, setting forth how the system originated and why it ought to be retained. A statement of this kind would have been embodied in our address last month before the Committee on Ways and Means, but for the fact that we supposed that this system, which had stood for half a century, was familiar to most of the members of the committee and had become a fixed, recognized, and permanent feature of our tariff law, and, moreover, because we feared that to go into the question in the necessary detail would unduly prolong the address and weary our hearers.

The principle of compensatory duties was established by your honored predecessor, Hon. Justin S. Morrill, chairman of the Committee on Ways and Means, in 1861. There was then incorporated for the first time in our tariff law the underlying basis of the present compensatory duty, that 4 pounds of unwashed wool are required to make 1 pound of finished cloth. The purpose of the tariff makers of that period was the double one to protect American wool growers and at the same time to place the manufacturer in the same position as if, like the cotton or silk manufacturer, he had his material duty free. Therefore, while a duty was imposed upon foreign wool, a specific compensatory duty four times as great per pound was placed upon woolen cloths to reimburse the manufacturer for the amount of the duty paid upon his wools if imported. Of course, a further ad valorem protective duty upon the actual manufacture of the

goods was added. This method of construction of the wool and woolen tariff, adopted in 1861 by Chairman Morrill and his associates, was included in the tariff revision of 1864 and in the wool and woolen legislation of 1867. Save for the brief and disastrous free-wool experiment of 1894–1897, this method has continued to the present time as the apparently established practice of the Government.

THE BASIS OF FOUR TO ONE.

There was no guesswork in the fixing of those early compensatory duties. Practical manufacturers, when questioned by Chairman Morrill, testified that 4 pounds of the Mestiza wool, the chief foreign wool then competing with American fine wools, were required to make a pound of finished cloth. This statement was investigated and confirmed by the Committee on Ways and Means in the tariff revisions of 1864 and 1867. The executive committee of the National Association of Wool Manufacturers addressed the United States Revenue Commission on this point in May, 1866, citing as an example certain authoritative facts and figures obtained from the books of the Proctorsville woolen mill, in the State of Vermont, as follows:

From this statement it appears that certain lots of cloth made in that mill from the 1st day of January, 1865, to the last day of June, inclusive — to wit, six months — and from the 1st day of July, 1865, to the last day of December, 1865, were manufactured wholly from Mestiza wool. The accounts of the mill show that there were manufactured in the mill, wholly from Mestiza wool, in the first six months 77,320 yards of black cassimeres; that $32\frac{1}{10}$ ounces of wool, as purchased in the market, were consumed in the manufacture of each yard of said 77,320 yards of cloth; and that the average weight per yard of the cloth was $8\frac{2}{10}$ ounces; or, in other words, $32\frac{1}{10}$ ounces of wool were required to make $8\frac{2}{10}$ ounces of finished cloth. The accounts of the mill show that, in the last six months, there were manufactured, wholly from Mestiza wool, 79,606 $\frac{3}{4}$ yards of black doeskins; that the average weight of said doeskins was $8\frac{1}{10}$ ounces per yard; and that $31\frac{1}{10}$ ounces of wool were required to make $8\frac{1}{10}$ ounces of such cloth.

This careful statement exactly confirmed the testimony of the manufacturers in general that 4 pounds of wool were required to

make a single pound of cloth. In the tariff of 1867 the duty on wools of the first class where the value was 32 cents or less per pound was 10 cents per pound and 11 per cent ad valorem, and the duty on wools of the same class where the value exceeded 32 cents per pound was 12 cents per pound and 10 per cent ad valorem. The compensatory duties on cloths, shawls, and all manufactures not especially provided for was set at 50 cents per pound.

THE TARIFF COMMISSION OF 1882.

In the course of the hearings before the tariff commission of 1882 this compensatory duty was attacked, as it is now being attacked, by interests hostile to American wool manufacturing, and it was asserted then, as it is being asserted now, that 4 pounds of unwashed wool were not required to make a pound of finished cloth. Again, a careful inquiry was made into the actual practice of manufacturers. The following significant statements were laid before the tariff commission:

Mr. Robert Middleton, agent of the Globe Woolen Mills at Utica, New York — mills of very high celebrity — states that 4 pounds of fine Australian unwashed wool will yield but 15 ounces of fine finished cloth, such as that company is making.

Mr. David Ramsden, superintendent of the Oswego Falls Manufacturing Company, states that 4 pounds of unwashed Australian wool will yield only 15 ounces of the goods that that company manufactures.

The items of his estimate are as follows:

	Ounces.
Four pounds of greasy or unwashed Australian wool.....	64
Loss in sorting, 2 per cent	1.28
Loss in scouring, 60 per cent	38.40
Loss in noils made in combing	6.11
Loss in preparing and spinning.....	1.84
Loss in dyeing and finishing	1.34
	<hr/> 49
	<hr/> 15

It is the opinion of other manufacturers that the loss in the processes of manufacture is placed too low.

The wools used by Mr. Ramsden are among the lightest of the foreign clothing wools, or among those containing the least grease, the wools from the Argentine Republic and Cape of Good Hope being much heavier.

It is true that this great shrinkage in the case above referred to is not all lost, a part of the waste in this case consisting of noils. But the noils are worth much less than the foreign, or original, cost of the wool from which they were made without the duty; that is, the manufacturer paid the duty on the wool and the noils included in them. In selling the noils he does not get back the duty paid upon the noils, and the value of the noils should consequently be eliminated from the calculation.

Mr. Henry F. Coe, treasurer of the Washington Mills, regarded as one of the most reliable experts in America in the woolen manufacture, makes the following statements:

The number of pounds of finished cloth which 100 pounds of scoured wool yields is about as follows:

Loss in Manufacturing.

Cloths and goods having a luster.....	65 pounds, or 35 per cent.
Fancy colored suitings, cassimeres, etc.	70 pounds, or 30 per cent.
Plain flannels, coatings, etc.....	75 pounds, or 25 per cent.

(These are not estimates made for this statement, but are the results of careful observations made in the Washington mills to determine the cost of manufacturing the goods and therefore the prices at which they could be sold.)

On the above basis the wools usually imported will take or require the following to yield a pound of finished cloth, according to Bowes & Co., of Liverpool, an accepted authority:

Goods.	Average Cape Wool will Shrink 67 Per Cent in Scouring.	Average Mes- tiza Shrinks 65 Per Cent.	Average Ade- laide and Aus- tralian Shrink 62 Per Cent.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
Faced goods.....	4.66	4.40	4.05
Suitings, cassimeres, etc.	4.33	4.09	3.76
Flannels, coatings, etc.	4.04	3.81	3.51

The formulas by which the above calculations are made may be illustrated as follows: Loss in Cape wool in scouring, 67 per cent, leaves 33 pounds clean wool. This clean wool loses 35 per cent in manufacturing; 33 pounds, less 35 per cent, 11.55 pounds = 21.45 pounds of cloth; 100 pounds (clean wool) \div 21.45 = 4.66 pounds of wool to 1 pound of cloth.

It was further pointed out at that time that the existing tariff, through the imposing of a double duty on washed and a triple

duty on scoured wools of the first class, prevented the manufacturer from importing washed or scoured wools and compelled him to buy his wools in an unwashed condition. Thus the tariff law itself, making the duty on scoured or clean wool three times the duty on unwashed wool, recognized and established the fact that 3 pounds of unwashed foreign wool were required to make 1 pound of clean or scoured wool before the first processes of manufacture. These processes involved a further loss on clean wool of from 25 to 35 per cent, which would more than account for the other pound of unwashed wool required to make a pound of finished cloth.

THE REPLY TO SECRETARY MANNING.

In 1885 the National Association of Wool Manufacturers, in response to a request from Hon. Daniel Manning, then Secretary of the Treasury, presented a statement in regard to the duties on manufactures of wool, entitled "The Woollen Tariff Defended and Explained." This statement was signed by the president and vice-president of the association and by the members of the executive committee, and at the annual meeting in New York, on October 7, 1885, was unanimously adopted. This statement was embodied in an address to the Senate Finance Committee in January, 1889, by Mr. William Whitman, then, as now, the president of the National Association of Wool Manufacturers. The following corroborative testimony was added at that time, from the Bulletin of the National Association of Wool Manufacturers, for 1883, Volume XIII., page 178 :

The following paragraph and table, which we find in the portion of the report of the Department of State, on the cotton and woollen industries of Europe, furnished by Consul-General Walker, supplies an interesting confirmation of the position taken by the National Association of Wool Manufacturers, that as a general rule 4 pounds of unwashed wool are required to make a pound of finished cloth.

Consul-General Walker, in speaking of the manufacturers of Elbeuf, one of the most important centers of wool manufacture in Europe, says :

"A woollen manufacturer in Elbeuf gives the following information concerning the woollen industry of that district in the year 1869 :

QUANTITY OF WOOL USED.	Cost Price Per Kilo- gram.	Proportion.	Yield.
		<i>Per Cent.</i>	<i>Per Cent.</i>
900,000 kilograms, German wool.....	\$1.00	12.80	.60
1,740,000 kilograms, French wool.....	.29	6.59	.29
3,700,000 kilograms, Australian wool.....	.55	26.45	.42
14,200,000 kilograms, Plata wool.....	.25	46.61	.30
1,400,000 kilograms, miscellaneous.....	.40	7.50	.42

"The production of woollen manufactures has been 6,558,600 kilograms, valued at \$17,563,000."

It will be seen from the above that the quantity of wool consumed was 21,940,000 kilograms and the weight of the goods manufactured from the wool was 6,558,600 kilograms. It is obvious that the former figure divided by the latter will give the quantity of wool to a kilogram of cloth. Taking these figures as they stand, they show 3.34½ kilograms of wool to a kilogram of cloth. But the German wool mentioned above, from its yield and its price, must have been washed wool, requiring double the quantity of unwashed wool. To bring the whole of the wool consumed into the condition of unwashed wool, the dividend ought to be increased by the addition of at least 900,000 kilograms, and probably more, to cover the Australian and miscellaneous wool, a portion of which must have been washed. Making the addition of only the former would make the quantity of wool to a kilogram of cloth 3.48½ kilograms. This assumes that no cotton warps nor cotton mixed with the wool nor other fiber enters into the weight of the cloth. By increasing the dividend by the amount of other raw material, which must necessarily have added to the weight of the cloth, we should have a proportion very closely approximating our own estimate of 4 pounds of unwashed wool to the pound of cloth.

The following letter, never before published, from the treasurer of the Assabet Manufacturing Company is evidence from the highest authority of the quantity of certain kinds of foreign wools required in the manufacture of their flannels, police cloths, etc. :

BOSTON, MASS., February 6, 1883.

WILLIAM WHITMAN, Esq.

DEAR SIR : I beg to state the average results obtained in our mill in manufacturing foreign wools in the year 1882 :

	Australian.	Montevideo.	Cape of Good Hope.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
Wool in bales	100	100	100
Lost in scouring and picking	62	61	72
Gave clean to the cards	38	39	28
The loss in carding, spinning, and all other processes until cloth was boxed for delivery was 20 per cent.	7.60	7.80	5.60
Making of faced cloth.	30.40	31.20	22.40

Showing that it required to make 1 pound of cloth, wool in bales, Australian, 3.29 pounds; Montevideo, 3.21 pounds; Cape of Good Hope, 4.46 pounds.

I attest that this is a correct statement from accounts kept at our mill.

Yours truly,

T. QUINCY BROWNE, *Treasurer*.

The very favorable results recorded in this letter are to be attributed to the very high class of light-shrinkage wools which this company used, because the duty on wool leads to the importation of such wools only, and also to the fact that the class of goods which they manufactured in that year did not lose so much in finishing as many other classes of goods would lose.

The law itself decides that 3 pounds of unwashed wool are required to make 1 pound of scoured wool, because it imposes three times as much duty upon 1 pound of scoured wool as it does upon 1 pound of unwashed wool.

The shrinkage from scoured wool to finished cloth varies. It depends upon the condition of the wool, the length, evenness, and strength of its staple or fiber, its freedom from burrs, straws, and other vegetable matter, and from sand, and the thoroughness with which it has been scoured. It also depends upon the finish and texture of the cloth, the number of processes to which it is subjected, the degree of felting and shearing, the color it is dyed, etc.

We believe it to be a fair statement for us to make that the ordinary fine wools of commerce will shrink from the scoured state to the finished cloth an average of not less than $33\frac{1}{3}$ per cent. In some cases the loss is greater and in others less.

The duty upon 1 pound of scoured wool being equivalent to that upon 3 pounds of unwashed wool, and the average shrinkage from scoured wool to finished cloth being $33\frac{1}{3}$ per cent, as stated,

it follows that the duty upon 1 pound of finished cloth should be equivalent to the duty imposed upon 4 pounds of unwashed wool.

THE MCKINLEY REVISION OF 1890.

Before the Finance Committee of the United States Senate, Mr. S. N. D. North, then secretary of the National Association of Wool Manufacturers, presented in 1890 this and other evidence as to the proper amount of compensatory duties, and added the following:

OFFICE OF ARLINGTON MILLS,
LAWRENCE, MASS., June 9, 1890.

WILLIAM WHITMAN, Esq.

DEAR SIR: I hand you herewith the following estimate of the number of pounds of finished worsted dress goods that could be made from 100 pounds of greasy South American wool in the bale:

ESTIMATE.

The maximum pounds of sorts that could be obtained from 100 pounds of greasy South American wool in the bale would be 95 pounds of sorts.

95 pounds of sorts shrinking 66 per cent will net in scoured wool 32.3 pounds.

32.3 pounds of scoured wool, less 4 per cent waste in carding, would give 30.9 pounds of carded wool.

30.9 pounds of carded wool, with 6 per cent added for moisture and oil, would yield 32.8 pounds.

32.8 pounds of carded wool noiling 16 per cent, which is a minimum percentage of noil, will yield in top 27.6 pounds.

27.6 pounds of top will yield, including soft waste worked over, $95\frac{1}{4}$ per cent of yarn, which is equal to 26.2 pounds.

The maximum amount of finished worsted dress goods that could be made from this yarn would be 90 per cent, so that 26.2 pounds of yarn would net not more than 23.6 pounds of dress goods.

This shows that it would require $4\frac{1}{4}$ pounds of such wool to make 1 pound of finished dress goods.

An almost identical result would be reached if the wool were imported in the scoured state.

These figures are a maximum for the amount of cloth that could be produced. The amount of noil stated is a minimum amount for this class of stock. The shrinkage from yarn to cloth is also a minimum shrinkage.

Many grades of cloth would shrink more than the shrinkage above given.

Yours very truly,

WILLIAM D. HARTSHORNE, *Superintendent.*

STATEMENT OF SENATOR ALDRICH.

The principle underlying the compensatory duties has never been more lucidly or completely stated than by the Hon. Nelson W. Aldrich, Senator from Rhode Island, in the discussion of the McKinley law in the United States Senate, as follows :

That formula is very simple. It accepts 4 pounds of greasy wool as the quantity of raw material consumed in the finished production of a pound of cloth and states proportionate relations for a pound of yarn or a pound of clothing. This formula does not mean that 4 pounds of unwashed wool necessarily enter into every pound of finished cloth. It means that in a pound of the best cloth 4 pounds of certain clips of wool—greasy wools of heavy shrinkage, abundantly accessible to foreign manufacturers, but not accessible to our own except by the payment of the duty thereon—are necessarily consumed.

It means that if our manufacturers are to make an equal grade of cloth on equal terms out of home-grown or imported wools, or a mixture of both, they must be compensated to the full amount of the shrinkage and waste established as existing in these wools, from the use of which they are practically debarred. If they are driven to the use of other wools—costlier wools of lighter shrinkage—they must still be compensated to the extent of the 4 pounds or they are at a disadvantage as compared with manufacturers who can and do use these heavier and cheaper wools, to say nothing of the additional disadvantage of a restricted choice in their selection of material, for which the bill does not attempt to compensate them.

Some effort has been made in the course of this debate to dispute the accuracy of this computation. But in every such effort, whether made by Senators on information furnished them by others or by importers anxious for lower duties, these critics have misapprehended or misstated the nature of the problem. They have selected certain kinds of wool, and declared that in these particular instances, the proportion of shrinkage and waste is only as 2 or 3 pounds of wool to 1 of cloth. I grant there are such instances; but as it is the weakest link in the chain or the lowest point in the levee that determines efficiency, so we are bound to take the highest-shrinkage wools accessible to foreigners and to calculate the compensatory duty on the basis of these. If our manufacturers are excluded from the use of this class of wools, their competitors do use them, and it is against these that the equalization of conditions is to be effected.

Again, it has been urged that the formula is wrong because certain fabrics are produced in which 4 pounds of wool, even of this high-shrinking quality, are not required to manufacture a

pound of goods, while the compensatory duty is fixed at four times the wool duty. Goods woven on cotton warps or containing some admixture of shoddy are cited. I grant the facts in this instance also. But we must, as I have already shown, arrange the compensation on the basis of the best cloths; otherwise we should determine by our legislation that the manufacture in this country shall be confined to the lower grades of goods. That would be to affix the brand of permanent inferiority upon our woollen manufactures. Nor is it possible in a tariff bill to so adjust a system of compensatory duties that it shall exactly fit the amount of wool consumed in an almost infinite variety of fabrics.

THE TESTIMONY OF 1897.

In the Gorman-Wilson tariff of 1894 wool was placed upon the free list, and the compensatory duties were, of course, abolished. But in the tariff revision of 1897, resulting in the present Dingley law, the protective duties on wool were reimposed and the compensatory duties were reestablished on the old historic proportion of 4 to 1. At that time the National Association of Wool Manufacturers, through Secretary North, presented to the Committee on Ways and Means, on January 7, 1897, not only much of the evidence as to compensatory duties offered at previous hearings, but the following new testimony:

EXTRACT FROM A LETTER OF JOSEPH P. TRUITT, OF PHILADELPHIA.

The truth is that the very best scoured wool actually sustains a loss of from 25 to 40 per cent in the process of manufacturing woollen or worsted goods, according to the style of cloth and finish required; and even in some extreme cases as much as 45 per cent. That this must be so is self-evident, because scoured wool contains many impurities which can only be removed by the exercise of great skill and care in the manufacturing process. Before such wool can be made into cloth it must first be carded, combed, spun, twisted, and reeled to convert it into yarn, each operation showing a serious loss, which does not stop when the yarn is made, but is continued in the weaving and finishing process by the weaver who spools, dresses, weaves, scours, dyes, and finishes the cloth — each of these operations also showing a loss familiar to all manufacturers.

By examining the statements made since 1867 it will be observed that all witnesses agree that scoured wool shows a loss in the manufacturing process averaging about 33½ per cent, so that it has been universally agreed that it takes 1½ pounds of the

best scoured wool to make 1 pound of finished cloth. It will also be noticed that results vary, owing to the skill of the operator, or the kind of goods or finish required, so that the loss in manipulation ranges from 25 to 45 per cent, but the rate of $1\frac{1}{2}$ pounds scoured wool to the pound of cloth is a just and fair average for all purposes involved.

According to tests made in two large worsted mills at the writer's request, the following results as to scoured wool were obtained :

Mill No. 1.

	Pounds.	
Scoured wool.....	49.00	49.00
Loss in carding (5 per cent)	2.45	
	<hr/>	
Noils and combing (18 per cent)	8.38	
	<hr/>	
Drawing (8 per cent)	3.05	
	<hr/>	
Spinning and twisting (4 per cent)	1.40	
	<hr/>	
Dressing and weaving (1 per cent) .....	.34	
	<hr/>	
Finishing ($1\frac{1}{4}$ per cent).....	.67	
	<hr/>	
Net pounds finished cloth		32.71
	<hr/>	
Loss, $33\frac{1}{2}$ per cent.....		16.29
Or $1\frac{1}{2}$ pounds scoured wool to 1 pound finished cloth.		

Mill No. 2.

	Pounds.	
Scoured wool.....	29.48	29.48
Loss in carding (8 per cent)	2.36	
	<hr/>	
Noils, etc (23 per cent).....	6.23	
	<hr/>	
Drawing and spinning ($12\frac{1}{2}$ per cent)	2.61	
	<hr/>	
Weaving ($6\frac{1}{4}$ per cent)	1.14	
	<hr/>	
Finishing ($6\frac{1}{4}$ per cent).....	1.07	
	<hr/>	
		16.07
	<hr/>	
Loss, 45 per cent		13.41
Or 1.8 pounds of scoured wool to 1 pound finished cloth.		

These are two of the most prominent mills in the country, and their statements are therefore reliable.

By reference to supplements accompanying this article, it will be seen that all estimates agree with the above, as follows :

	Per cent.
David Ramsden	38
H. F. Coe	35
" " "	30
" " "	25
Bowes Brothers	35
William Whitman	35
W. D. Hartshorne	27
Mill No. 1	33½
Mill No. 2	45

So that a loss of 35 per cent is not too much to figure from scoured wool to finished cloth, and an average of 33½ per cent an equitable average standard.

From the facts herewith presented it appears :

First, that at least 3 pounds of wool shrinking 50 per cent must be purchased to make 1 pound of finished cloth, instead of 2, as stated in your communication.

Second, that if 10 per cent of the wool used abroad only loses 50 per cent, and 90 per cent loses 70 to 75 per cent, as your correspondent must and will no doubt admit, the average shrinkage would be about 70 per cent.

Third, if the average shrinkage of merino wool used by foreign manufacturers is 70 per cent, then it follows that the compensating duty, instead of being too much by 22 cents, as your correspondent says, is actually 11 cents too little, as on this basis five pounds of wool must be bought and 55 cents duty paid, while the protection given is only 44 cents, a clear loss of 11 cents a pound to the manufacturer when compelled to import this wool.

JOSEPH P. TRUITT.

PHILADELPHIA, March 17, 1892.

FULTON, N.Y., December 28, 1896.

S. N. D. NORTH, Esq., *Secretary National Association of Wool Manufacturers, Boston, Mass.*

DEAR SIR: We herewith inclose you three reports showing the shrinkage in the manufacture of worsted cloth from the greasy wool to the finished cloth. One of these reports covers 1,500,000 pounds of Adelaide and Cape wools, used within a year; the second report is on 800,000 pounds of Montevideo wool, and the third report shows the average shrinkage for three years on wools mixed in the proportion of two-thirds imported and one-third domestic.

Yours truly,

FULTON WOOLEN MILLS,
JOHN W. NARY, *Agent*.

Report on 1,500,000 pounds of Adelaide and Cape Wools.

	Pounds.
Shrinkage in sorting, 3 per cent.....	97
Shrinkage in scouring, 64 per cent	62
	<hr/>
	35
Card waste, 6 per cent	2.1
	<hr/>
	32.9
Noil, 18 per cent.....	5.9
	<hr/>
	27
Drawing, spinning, and twisting, 4 per cent.....	1.1
	<hr/>
	25.9
Waste from yarn to finished cloth, 8 per cent.....	2.1
	<hr/>
Net weight of finished cloth made from 100 pounds of wool....	23.8

Report on 800,000 pounds of Montevideo wool.

	Pounds.
Shrinkage in sorting, 3 per cent.....	97
Shrinkage in scouring, 62 per cent.....	60.14
	<hr/>
	36.86
Shrinkage in carding, 7 per cent.....	2 58
	<hr/>
	34.28
Shrinkage in combing, 19 per cent.....	6.51
	<hr/>
	27.77
Shrinkage in drawing, spinning, and twisting, 4 per cent.....	1.11
	<hr/>
	26.66
Shrinkage from yarn to cloth, 7.5 per cent.....	2
	<hr/>
Net weight of finished cloth from 100 pounds greasy wool....	24.66

Average shrinkage on wool used for three years manufacturing worsted cloth; two-thirds of blend made up of Montevideo, Adelaide, and Cape wools and one-third made up of Ohio, Virginia, West Virginia, and Oregon wools.

	Pounds.
Shrinkage in sorting, 3.25 per cent.....	96.75
Shrinkage in scouring, 61.75 per cent.....	59.75
	<hr/>
	37
Shrinkage in carding, 6.5 per cent.....	2.4
	<hr/>
	34 6
Shrinkage in combing, 20 per cent.....	6.92
	<hr/>
	27.68
Shrinkage in drawing, spinning, and twisting, 4 per cent.....	1.1
	<hr/>
	26.58
Waste from yarn to finished cloth, 8 per cent.....	2.12
	<hr/>
Net weight of finished cloth made from 100 pounds of wool...	24.46

N. B. — With this same blend some manufacturers might have made more shrinkage in the scouring and less in card waste. We have used the soft drawing laps over again.

Shrinkage from scoured wool to cloth, 34 per cent.

PHILADELPHIA, December 30, 1896.

DEAR SIR: Yours of the 24th, addressed to our Mr. Henry M. Steel, came duly to hand. We have examined the statement of Mr. Hartshorne with regard to the product of goods from South American wools. We believe this statement to be substantially correct, and also that there are some other wools, both foreign and domestic, that require more than $4\frac{1}{2}$ pounds in the grease to produce 1 pound of finished worsted goods.

Yours truly,

EDWARD T. STEEL & Co.

MR. S. N. D. NORTH,

Secretary National Association of Wool Manufacturers.

This was in the tariff revision of 1897. We now present new, fresh testimony of experienced wool dealers and practical manufacturers, based on conditions of the year 1908.

THE WOOLS OF THE WORLD.

First in order come the statements of representative Boston wool-importing houses. Mr. John G. Wright, a recognized authority in this industry, who has been in the wool business since 1864 and is engaged in importing wools from Australia and South America, states that the shrinkage of Australian merino wools varies from 47 to 80 per cent, of South American wools from 55 to 75 per cent, and of Cape wools from 55 to 75 per cent.

The firm of Farnsworth, Thayer & Stevenson, which has also had great experience in importing wool, states the shrinkage of Australian merinos to be from 45 to 72 per cent, of South American merinos from 50 to 70 per cent, and of Cape wools from 55 to 72 per cent.

Their letters are as follows :

JOHN G. WRIGHT, WOOL IMPORTER,
620 ATLANTIC AVENUE,
BOSTON, December 31, 1908.

WILLIAM WHITMAN, ESQ., *President National Association of
Wool Manufacturers, No. 78 Chauncy street, Boston, Mass.*

DEAR SIR: In reply to your request that I should give you my estimate of the range of shrinkages of merino wools grown in various parts of the world and the experience upon which my judgment is based, I beg to say that I commenced in the wool business with a house in New York in 1864, whose chief business was to sell imported wools to manufacturers for account of large importing houses. New York at that time received most of the wool imported into this country.

During the civil war very large quantities of foreign wool were imported to make clothing and blankets for United States soldiers, the consumption of such articles being very large; and in addition large amounts were required to keep the mills going that were making cloths for the people of the Northern States, the supply of domestic wool being quite inadequate.

I am now, and have for many years been, exclusively engaged in importing wools from Australia and South America. My judgment as to shrinkages is based upon experience as an importer of wool and as a buyer in the London and Continental markets.

Australian merino wools vary in condition. I should say a fair statement would be that shrinkages run from 47 per cent for the choicest wools of the western district of Victoria and vicinity to 80 per cent for some of the wools grown in West Australia. Probably about 80 per cent of the merino wools grown in Australia will shrink from 55 to 80 per cent.

In Buenos Aires and Montevideo merino wools shrink from 55 to 75 per cent, depending upon the locality in which they are grown.

In South Africa wools, commercially called "Cape of Good Hope," vary in shrinkage from 55 to 75 per cent. The great bulk of the wools, most of which are merino in that section, shrink from 60 to 70 per cent.

Merino wools grown in Russia, on the borders of the Black Sea, usually called "Odessa wools," shrink from 65 to 80 per cent.

The bulk of merino wools grown in Spain and France, Germany and Austria shrink, I believe, from 65 to 75 per cent. Nearly all of these are consumed in the countries of their growth.

The above covers all foreign countries that I have knowledge of that produce merino wool.

Very truly yours,

JOHN G. WRIGHT.

FARNSWORTH, THAYER & STEVENSON, WOOL IMPORTERS,
116-122 FEDERAL STREET,
BOSTON, MASS., January 6, 1909.

WILLIAM WHITMAN, ESQ., *President National Association of
Wool Manufacturers, Boston.*

DEAR SIR: Since you asked us about the shrinkages of the different kinds of foreign wools we have given the matter considerable thought. We and our predecessors have been pretty familiar with foreign markets since 1870. Our Mr. Hilton, as you know, spent many years abroad and studied the wools of the various countries very carefully. We have always had representatives in Australia, South America, London, and Continental markets. As importers into this country, our attention is confined almost entirely to the lighter shrinking wools, and we have not given as much attention to the heavier wools in consequence. These last in many cases form the great bulk of the product and are bought by foreigners below the parity of the wools we buy, because they are not subjected to the American competition.

In our judgment the range of shrinkages given below are very nearly, if not absolutely, correct: Australian merinos, from 45 to 72 per cent; South American merinos, from 50 to 70 per cent; from the Cape, 55 to 72 per cent.

If we can be of further service to you or give you any other information, please do not hesitate to call upon us.

Yours faithfully,

FARNSWORTH, THAYER & STEVENSON.

WOOLS OF THE UNITED STATES.

These statements above relate to the imported wools most largely used by American manufacturers. The National Association of Wool Manufacturers for many years has made an annual statement of the wool product of the United States by States and sections of the country. This statement for the year 1908 shows an average shrinkage on all American wools of 60.5 per cent — this average covering the wools of the Eastern, Middle, and Southern States and the vast wool-growing region beyond the Mississippi River. The statement in detail is as follows:

TABLE I. — WOOL PRODUCT OF THE UNITED STATES, 1908.

STATES AND TERRITORIES.	Quality.	Number of Sheep of Shearing Age April 1, 1908.	Average Weight of Fleece, 1908.	Wool Washed and Unwashed, 1908.	Per Cent of Shrinkage, 1908.	Wool Scoured, 1908.
			Pounds.	Pounds.		Pounds.
Maine.....	Medium.....	215,000	6	1,290,000	40	744,000
New Hampshire..	25 per cent fine, 75 per cent medium..	70,000	6.2	434,000	50	217,000
Vermont.....	20 per cent fine, 80 per cent medium..	175,000	6	1,050,000	50	525,000
Massachusetts....	Medium.....	35,000	5.8	203,000	42	117,740
Rhode Island.....	do.....	7,000	5	35,000	42	20,300
Connecticut.....	do.....	35,000	5	175,000	42	101,500
New York.....	33 per cent fine, 67 per cent medium..	850,000	6	5,100,000	50	2,550,000
New Jersey.....	Medium.....	45,000	5.5	247,500	50	123,750
Pennsylvania.....	25 per cent fine, 75 per cent medium..	950,000	6	5,700,000	48	2,964,000
Delaware.....	Medium.....	7,000	6	42,000	45	23,100
Maryland.....	do.....	125,000	5.5	687,500	45	378,125
West Virginia....	75 per cent fine, 25 per cent medium..	525,000	5.5	2,887,500	48	1,501,500
Kentucky.....	Medium.....	600,000	5	3,000,000	39	1,830,000
Ohio.....	45 per cent fine, 55 per cent medium..	2,000,000	6.5	13,000,000	49	6,630,000
Michigan.....	25 per cent fine, 75 per cent medium..	1,500,000	6.4	9,600,000	50	4,800,000
Indiana.....	15 per cent fine, 85 per cent medium..	800,000	6.3	5,040,000	45	2,772,000
Illinois.....	25 per cent fine, 75 per cent medium..	650,000	6.5	4,225,000	50	2,112,500
Wisconsin.....	20 per cent fine, 80 per cent medium..	850,000	6.25	5,312,500	49	2,709,375
Minnesota.....	do.....	375,000	6.75	2,531,250	51	1,240,313
Iowa.....	30 per cent fine, 70 per cent medium..	800,000	6.5	5,100,000	49	2,601,000
Missouri.....	15 per cent fine, 85 per cent medium..	852,548	6.7	5,712,071	48	2,970,277
		11,466,548	6.22	71,372,321	48.2	36,931,480
Virginia.....	Medium.....	375,000	4.5	1,687,500	38	1,046,250
North Carolina....	do.....	205,000	4.25	871,250	42	505,325
South Carolina....	do.....	50,000	4	200,000	42	116,000
Georgia.....	do.....	225,000	3.5	787,500	40	472,500
Florida.....	do.....	100,000	3	300,000	40	180,000
Alabama.....	do.....	175,000	3.25	568,750	40	341,250
Mississippi.....	do.....	150,000	4	600,000	42	348,000
Louisiana.....	do.....	155,000	3.7	573,500	42	332,630
Arkansas.....	do.....	225,000	4.25	956,250	41	564,188
Tennessee.....	do.....	290,000	4.50	1,305,000	40	783,000
		1,950,000	4.02	7,849,750	40.2	4,689,143
Kansas.....	Fine, fine medium, and medium.....	160,000	7	1,120,000	64	403,200
Nebraska.....	do.....	275,000	6.75	1,856,250	64	668,250
South Dakota.....	do.....	650,000	6.5	4,225,000	61	1,647,750
North Dakota.....	do.....	300,000	6.5	1,950,000	60	780,000
Montana.....	do.....	4,600,000	7	32,200,000	64	11,592,000
Wyoming.....	do.....	4,500,000	8	36,000,000	68	11,520,000
Idaho.....	do.....	2,500,000	7	17,500,000	67	5,775,000
Washington.....	do.....	480,000	8.5	4,080,000	69	1,264,800
Oregon.....	do.....	2,000,000	8.25	16,500,000	69	5,115,000
California.....	33 per cent fall, 67 per cent spring....	1,900,000	7	13,300,000	66	4,522,000
Nevada.....	Fine, fine medium, and medium.....	750,000	8	6,000,000	69	1,850,000
Utah.....	do.....	2,100,000	7	14,700,000	67	4,851,000
Colorado.....	do.....	1,500,000	7	10,500,000	68	3,290,000
Arizona.....	do.....	800,000	6.5	5,200,000	65	1,820,000
New Mexico.....	do.....	3,000,000	5.5	16,500,000	64	5,940,000
Texas.....	25 per cent fall, 75 per cent spring....	1,300,000	6.75	8,775,000	67	2,895,750
Oklahoma and Indian Territory.	Fine, fine medium, and medium.....	80,000	6.5	510,000	68	163,200
		26,895,000	7.1	190,916,250	66.4	64,177,950
Totals.....		40,311,548	6.7	270,138,321	60.5	106,630,648
Pulled wool.....				41,000,000	30	28,700,000
Total product.....				311,138,321		135,330,648

TABLE I. — WOOL PRODUCT OF THE UNITED STATES, 1908. — *Continued.*

States and Territories.	Average Value per Scoured Pound, October 1 —					Total Value, 1908.
	1904.	1905.	1906.	1907.	1908.	
	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>	
Maine.....	50	58	58	56	43	\$319,920
New Hampshire.....	50	57	57	55	44	95,480
Vermont.....	50	57	56	55	45	236,250
Massachusetts.....	50	57	57	56	44	51,806
Rhode Island.....	50	57	57	56	44	8,932
Connecticut.....	50	58	58	57	44	44,660
New York.....	55	60	59	58	47	1,158,500
New Jersey.....	50	60	59	58	45	55,688
Pennsylvania.....	58	63	62	61	48	1,402,720
Delaware.....	50	56	55	55	45	10,305
Maryland.....	50	57	55	55	44	166,375
West Virginia.....	65	60	60	57	49	735,735
Kentucky.....	50	60	59	58	45	823,500
Ohio.....	58	63	62	61	48	3,182,400
Michigan.....	55	61	60	59	46	2,208,000
Indiana.....	53	58	57	56	44	1,219,680
Illinois.....	52	56	55	54	42	887,250
Wisconsin.....	52	65	60	58	40	1,053,750
Minnesota.....	50	54	53	52	42	520,931
Iowa.....	55	58	56	55	44	1,144,440
Missouri.....	52	60	56	55	44	1,306,922
						\$16,663,334
Virginia.....	52	60	59	57	45	\$470,813
North Carolina.....	50	56	55	54	40	202,130
South Carolina.....	50	56	55	54	39	45,240
Georgia.....	50	56	55	54	40	189,000
Florida.....	50	56	55	54	40	72,000
Alabama.....	50	56	54	53	40	156,500
Mississippi.....	50	55	54	53	40	139,200
Louisiana.....	50	56	55	53	40	133,052
Arkansas.....	50	55	54	52	38	214,391
Tennessee.....	50	58	58	57	45	352,350
						\$1,954,676
Kansas.....	52	67	65	65	50	\$201,600
Nebraska.....	52	67	65	65	50	334,120
South Dakota.....	53	69	67	67	50	823,875
North Dakota.....	53	69	67	67	50	390,000
Montana.....	55	69	68	67	51	5,911,920
Wyoming.....	55	70	69	67	49	5,644,800
Idaho.....	55	69	66	66	51	2,945,250
Washington.....	53	69	66	65	50	632,000
Oregon.....	55	69	68	68	52	2,659,800
California.....	53	69	67	64	41	1,804,020
Nevada.....	57	70	68	68	51	948,760
Utah.....	55	67	67	65	46	2,231,460
Colorado.....	52	66	65	63	42	1,411,200
Arizona.....	53	67	65	65	47	855,400
New Mexico.....	50	65	63	60	45	2,673,000
Texas.....	57	70	67	66	53	1,534,748
Oklahoma and Indian Territory.....	50	63	63	61	44	71,808
						\$31,123,606
Total.....	54.1	65.4	63.8	62.3	46.6	\$49,741,616
Pulled wool.....	46.7	57.4	54.3	50.2	41.6	11,953,000
Total product.....						\$61,694,616

FROM UNWASHED WOOL TO CLOTH.¹

This statement of an average shrinkage of 60.5 per cent in American wools represents the loss up to and including the scouring process — not the further shrinkage in the various processes of manufacture. On this point we now present the largest amount of testimony from practical manufacturers ever procured and given to Congress. First are the letters of a group of manufacturers who state the shrinkage between the greasy wool and the finished cloth.

Thomas Oakes & Co., of Bloomfield, N.J., submit five samples of carded woolen cloth in which from 3 pounds to 4.16 pounds of greasy wool are required to make 1 pound of finished cloth, and also four samples of worsteds, in which from 3.7 to 4 pounds of greasy wool are required to make a pound of finished cloth.

The Talbot Mills, of North Billerica, Mass., submit two samples of carded woolen cloth, and state that it requires 3.52 pounds of greasy wool to make a pound of finished cloth.

S. Slater & Sons, of Webster, Mass., submit two samples of black broadcloths, in one of which 3.69 pounds of greasy wool are required to make 1 pound of finished cloth, and in the other 4.64 pounds of greasy wool are required to make 1 pound of finished cloth.

M. T. Stevens & Sons Company, of North Andover, Mass., submit three samples of dress goods and three of broadcloths, in which from 3.34 to 4.03 pounds of greasy wool are required to produce 1 pound of finished cloth.

The Globe Woolen Company, of Utica, N.Y., submit samples and state that 3 pounds 1 ounce of greasy wool are required to make 1 pound of carded woolen cloth, and that 2 pounds 9 ounces and 2 pounds 15 ounces of greasy wool are required to make 1 pound of worsted cloth, according to the samples presented.

The Forstmann & Huffmann Company, of Passaic, N.J., state that 100 pounds of greasy wool will yield from 24 to 34 pounds of finished cloth, according to samples submitted by the company.

The letters in full are as follows :

BLOOMFIELD, N.J., December 16, 1908.

MR. WILLIAM WHITMAN, *President National Association of Wool Manufacturers :*

DEAR SIR: At the hearing before the Ways and Means Committee, held at Washington on the 2d instant, many of the ques-

¹ For the details of these statements, see p. 200.

tions asked and some of the testimony filed with that committee indicated a very erroneous and exaggerated idea of the compensatory duty as now incorporated in the Dingley tariff laws.

To convince ourselves as to the real facts, we have examined our own records as manufacturers of fine woolsens and worsteds, and herewith submit to you samples of our product, with all particulars pertaining to their manufacture. We have selected such cloths as are made of fine wools, both foreign and domestic, in order to give a fair and comprehensive comparison as to the compensatory duty at its present ratio of 4 to 1.

We have given this our careful attention, taking the data used from our books in the different departments, and we stand ready to vouch for its accuracy.

We wish to say that we manufacture all our yarns, both woolen and worsteds, and use only the finer qualities of wool, and no cotton is used whatever. Our woolen goods are largely faced or napped goods, and the loss in weight is probably greater in their manufacture than any other class of woolen goods, due to excessive fulling or felting, napping, and shearing.

We submit five samples of woolen goods designated by letters A, B, C, D, E.

CARDED WOOLEN CLOTH.

FABRIC.	Wool made of —	Grease Wool Required.	Cloth Finished.
		<i>Pounds.</i>	<i>Pound.</i>
A — Kersey	Australian geelong, 80's	3	1
B — Uniform	XXX territory	4.16	1
C — Beaver uniform	XXX Ohio	3.7	1
D — Doeskin uniform	XXX territory	4.05	1
E — Kersey	Cape	3.84	1

We also submit four samples of worsteds, as follows, viz. :

WORSTED CLOTHS MADE OF COMBED WOOLS.

	Wool made of —	Grease Wool Required.	Cloth Finished.
		<i>Pounds.</i>	<i>Pound.</i>
F	Ohio delaine	3.7	1
G	“ “	3.85	1
H	Fine territory	4	1
I	Ohio delaine	3.7	1

Yours very truly,

THOS. OAKES & Co.

TALBOT MILLS.

NORTH BILLERICA, MASS., December 18, 1908.

WILLIAM WHITMAN, Esq., *President National Association of Wool Manufacturers, 683 Atlantic avenue, Boston, Mass.*

DEAR SIR: Replying to yours 11th instant, I send you herewith the following samples of carded woolen cloths:

A — Piece dye cassimere, weighing $11\frac{1}{2}$ ounces to 56 inches in width. B — piece dye carriage lining, weighing $7\frac{1}{2}$ ounces to 54 inches in width. The latter is really what would be called a sacking. These are both made from a blend of 50 per cent fine Texas, eight months, shrinking 63 per cent, and 50 per cent California, eight months, shrinking 60 per cent.

It takes 3.52 pounds of this wool to make 1 pound of finished cloth.

Yours truly,

FREDERIC S. CLARK, *President.*

S. SLATER & SONS (INCORPORATED) WOOLEN MILL.

WEBSTER, MASS., January 5, 1909.

WILLIAM WHITMAN, Esq., *President National Association of Wool Manufacturers, Boston, Mass.*

DEAR SIR: Acknowledging receipt of your letter of December 11, we would report as follows:

A. With this letter please find two samples of black broadcloths made of carded wools.

B. The quantity of greasy wool in 1 pound of each cloth (by greasy wool meaning before sorting), Silesian twill, 3.69 pounds; 444 cloth, 4.64 pounds.

C. The class and character of the wool in the Silesian twill is first-class XXX. grade clothing wool.

D. The Silesian twill is made of one-half fine Australian foreign and half fine Ohio domestic, and the 444 cloth is made entirely of domestic wool. We do not make worsted cloths, so cannot send samples or answer the questions under that heading.

Respectfully,

FRANK BULKELEY SMITH, *Treasurer.*

M. T. STEVENS & SONS COMPANY,
NORTH ANDOVER, MASS., January 1, 1909.

Goods.	Weight Per Square Yard.	Quality of Stock.	Pounds Wool Required to Produce 1 Pound of Goods.
	<i>Ounces.</i>		
E — Dress goods...	3.75	Fine medium territory.....	3.71
F — “ “ ...	4.5	“ “ “	3.66
D — “ “ ...	5.7	“ “ “	3.89
A — Broadcloth....	5.5	“ “ “	3.84
B — “ “	6.3	“ “ “	4.03
C — “ “	6.9	Cape and Port Phillip	3.34

GLOBE WOOLEN COMPANY,
UTICA, N.Y., December 29, 1908.

MR. WILLIAM WHITMAN, *Harding-Whitman Company, 78
Chauncy street, Boston, Mass.*

DEAR SIR: We inclose statement regarding carded woolen cloths and worsted cloths made from combed wools, as you have requested, and which we trust will convey the information you desire.

We also return the letter written by Mr. Robert Middleton to Mr. Rufus S. Frost.

Under separate cover we have sent you samples of cloth described in the statement inclosed.

Yours truly,

GLOBE WOOLEN COMPANY.

CARDED WOOLEN CLOTH.

Samples.	Greasy Wool in 1 Pound of Cloth.	Class.	Character.	Foreign or Domestic.
T C	3 pounds, 1 ounce...	1	XX. Ohio clothing washed	Domestic.
13	“ “ “ “ ...	1	XX. Ohio clothing washed	

WORSTED CLOTHS MADE OF COMBED WOOLS.

Samples.	Greasy Wool in 1 Pound of Cloth.	Class.	Character.	Foreign or Domestic.
1103....	2 pounds, 9 ounces..	1	Ohio 3's unwashed ..	Domestic.
319½....	2 pounds, 15 ounces .	1	80's Australian.....	Australian.

FORSTMANN, HUFFMANN & Co.,
PASSAIC, N.J., January 8, 1909.

STATEMENTS REGARDING SAMPLES OF WOOL AND CLOTH.

Out of 100 pounds of imported greasy wool (sample No. 8) we produce 33 pounds of cloth No. VI.

Out of 100 pounds of scoured wool of the same grade (sample No. 12) we produce 81 pounds of finished cloth No. VI.

Out of 100 pounds of the greasy wool which is used for the manufacture of cloths Nos. IV., V., and VII., and which is also imported, we produce 24 pounds of finished cloth.

Out of 100 pounds of scoured wool of the same grade (sample No. 10) we produce 78 pounds of the three above-mentioned cloths Nos. IV., V., and VII.

Out of 100 pounds of greasy wool No. 9, which is of domestic origin, we produce 31 pounds of cloth No. I., 34 pounds of cloth No. II., 32 pounds of cloth No. III.

Out of 100 pounds of scoured wool of the same grade of domestic wool (sample No. 11) we produce 78 pounds of cloth No. I., 84 pounds of cloth No. II., 81 pounds of cloth No. III.

Taking into consideration the fact that the cost for freight and wages for sorting and scouring wool are much higher for the American than for the European manufacturer, the duty of 44 cents per pound on such finished cloths as are represented by samples Nos. I. to VII. does not give any protection with the duty of 11 cents per pound on greasy wool.

JULIUS FORSTMANN.

FROM WOOL TO TOPS.

An important statement from Harry Hartley & Co., top manufacturers, of Boston, is submitted, showing the amount of top produced from various wools grown in the United States. This shows that 100 pounds of fine merino territory wool yields 21.73 pounds of tops; 100 pounds of fine medium territory wool yields 24.45 pounds of tops; 100 pounds of medium, half-blood territory

wool yields 28.80 pounds of tops; 100 pounds of fine unwashed Ohio and Michigan wool yields 26.47 pounds of tops; 100 pounds of average fine Texas wool yields 24.45 pounds of tops; 100 pounds of twelve months' Texas wool, long staple, yields 27.90 pounds of tops; and 100 pounds of quarter-blood territory wool yields 37.30 pounds of tops. This statement further confirms the soundness of the proposition that 4 pounds of wool are on the average required to produce a pound of finished cloth. It should be remembered that from the top there is a further considerable shrinkage in the processes of manufacturing. The statement of Harry Hartley & Co. is in full, as follows:

HARRY HARTLEY & CO. (INC.).

Particulars of amount of top yielded by various wools grown in the United States.

Fine merino territory wool (American). Take 100 pounds: Taking off string, dung locks and refuse (4 per cent) leaves 96 pounds of sorted wool. Shrinking 70 per cent, yielding 30 per cent of clean wool, yields 28.80 pounds of scoured wool. In carding it makes 8 per cent of card and burr waste, yields 26.50 pounds of carded sliver. In combing it makes 18 per cent of noil (waste), yields 21.73 pounds of top. Result, 100 pounds of fine territory wool yields 21.73 pounds of top.

As the shrinkage of fine territory wool varies from 68 to 73 per cent, I have taken an average shrinkage as 70 per cent.

Fine medium territory wool. Take 100 pounds: Taking off strings, dung locks, and refuse (4 per cent) leaves 96 pounds of sorted wool. Shrinking 67 per cent, yielding 33 per cent of clean wool, yields 31.68 pounds of scoured wool. In carding it makes 7 per cent of card and burr waste, yields 29.46 pounds of carded sliver. In combing it makes 17 per cent of noil (waste), leaves 24.45 pounds of top. Result, 100 pounds of fine medium territory wool yields 24.45 pounds of top.

Medium half-blood territory wool (American). Take 100 pounds: Taking off string, dung locks, fribs, and refuse (4 per cent) leaves 96 pounds of sorted wool. Shrinking 62 per cent, yielding 38 per cent of scoured wool, yields 36.48 pounds of scoured wool. In carding it makes 6 per cent of card and burr waste, yields 34.29 pounds of carded wool. In combing it makes 16 per cent of noil (waste), yields 28.80 pounds of top. Result, 100 pounds of half-blood territory wool yields 28.80 pounds of top.

Fine unwashed Ohio and Michigan wool. Take 100 pounds: Taking off strings, dung locks, and refuse (8 per cent) leaves 92

pounds of sorted wool. Shrinking 64 per cent, yielding 36 per cent, yields 33.12 pounds of scoured wool. In carding it makes 5 per cent of card and burr waste, yields 31.46 pounds of carded sliver. In combing it makes 15 per cent of noil (waste), leaves 26.74 pounds of top. Result, 100 pounds of fine unwashed Ohio and Michigan wool yields 26.47 pounds of top.

Average fine Texas wool. Take 100 pounds: Taking off strings, dung locks, and refuse (4 per cent) leaves 96 pounds sorted wool. Shrinking 67 per cent, yielding 33 per cent, yields 31.68 pounds scoured wool. In carding it makes 7 per cent of card and burr waste, 29.46 pounds carded sliver. In combing it makes 17 per cent of noils (waste), 24.45 pounds top. Result, 100 pounds of average fine Texas wool yield 24.45 pounds top.

Twelve months' Texas wool, long staple. Take 100 pounds: Taking off string, tags (dung locks), and refuse (3 per cent) leaves 97 pounds sorted wool. Shrinking 64 per cent, yielding 36 per cent of scoured wool, 34.92 pounds scoured wool. In carding it makes 6 per cent of card and burr waste, 32.82 pounds carded sliver. In combing it makes 15 per cent of noils (waste), 27.90 pounds top. Result, 100 pounds of merino Texas yields 27.90 pounds top.

Quarter-blood territory wool (American). Take 100 pounds: Taking off strings, dung locks, fribbs, and refuse (3 per cent) leaves 97 pounds sorted wool. Shrinking 54 per cent, yielding 46 per cent of scoured wool, 44.62 pounds scoured wool. In carding it makes 5 per cent of card and burr waste, 42.39 pounds carded sliver. In combing into top it makes 12 per cent of noils, 37.30 pounds top. Result, 100 pounds of quarter-blood territory yields 37.30 pounds top.

SCoured WOOL TO CLOTH.

The statements submitted above have shown the total shrinkage from the greasy wool to the finished cloth, and also from the greasy wool to the top, a partially manufactured product. Further statements submitted below show separately the shrinkage from the scoured wool to the finished cloth in the processes of manufacturing, and in some cases also the shrinkage from the greasy wool to the scoured wool. That 3 pounds of greasy wool are required to make 1 pound of scoured wool has long been a fundamental proposition in the framing of the tariffs of the United States. These statements that follow show conclusively the additional shrinkage from the scoured wool to the finished fabric.

The Talbot Mills, of North Billerica, Mass., state that on the

basis of their three samples submitted it requires $1\frac{1}{3}$ pounds of scoured wool to produce 1 pound of cloth.

The Botany Worsted Mills, of Passaic, N.J., whose managers have important experience on both sides of the ocean, state that the loss between the top and the finished dress goods approximates from 15 to 20 per cent, and that 100 pounds of scoured wool produce about 60 to 65 per cent of finished cloth, and give other important particulars. Four samples of dress goods are submitted.

The Hockanum Company, of Rockville, Conn., submits samples of fine worsteds made from Australian yarn, and states that 100 pounds of yarn in the gray produces 81.2 pounds of finished cloth.

The Globe Woolen Company, of Utica, N.Y., submits samples of carded woolen and worsted cloth, and states that 1 pound of scoured wool will yield 11.25 ounces of woolen cloth, and that 1 pound of scoured wool will yield in one sample 10.41 ounces, and in another 11.40 ounces of worsted cloth.

George E. Kunhardt, of Lawrence, Mass., submits eight samples of wools, worsteds, and serges, and states that in one fabric 1 pound of scoured wool yields .78 pound of finished cloth, and in the other 1 pound of scoured wool yields .83 pound of finished cloth.

The Rock Manufacturing Company, of Rockville, Conn., submits a sample of uniform cloth, and states that 4000 pounds of fine domestic wool in the grease will yield 1280 pounds of clean white wool, and that this wool will yield 921.60 pounds of finished cloth.

The Waterloo Woolen Manufacturing Company submits two samples of blue broadcloth, and states that the quantity of scoured wool in each pound of cloth is approximately $1\frac{1}{2}$ pounds. It adds that although the shrinkage of the Australian wool used in one of the samples is given as 56 per cent,

. . . It is proper to state that in Europe similar goods are made from wools of a much higher shrinkage. On account of the specific duty on wool, it is necessary to select for importation such as is of low shrinkage. Owing to the relatively small quantity of this, there is keen competition among purchasers for America. It follows that European manufacturers obtain equally good wool of heavier shrinkage at a lower price per scoured

pound. It follows also that America can import only in very limited quantities the fine wools grown in South America and the Cape of Good Hope.

Thomas Oakes & Co., of Bloomfield, N.J., state that from 1.38 to 1.44 pounds of scoured wool are required to produce a pound of finished cloth, according to samples submitted by them.

M. T. Stevens & Sons Co., of North Andover, Mass., submit samples of dress goods and broadcloth, and state that from 1.30 to 1.40 pounds of scoured wool are required to produce 1 pound of cloth.

The letters are published below :

TALBOT MILLS,
NORTH BILLERICA, MASS., January 2, 1909.

WILLIAM WHITMAN, ESQ., *President National Association
Wool Manufacturers, Boston, Mass.*

DEAR SIR: Replying to yours of December 30, the samples already sent in, A and B, require $1\frac{1}{3}$ pounds of scoured wool per pound of cloth.

Yours truly,
FREDERIC S. CLARK, *President.*

BOTANY WORSTED MILLS,
PASSAIC, N.J., January 4, 1909.

WM. WHITMAN, ESQ., *President National Association of Wool
Manufacturers, 78 Chauncy street, Boston, Mass.*

DEAR SIR: In answer to your esteemed favors of December 15 and 18, 1908, and as requested, we beg to reply to your several queries as follows:

1. One hundred pounds wool in the grease usually yield from 25 per cent in territory up to 44 per cent of best Australian, finished top.

2. One hundred pounds wool in the grease render the following results:

	Australian.	Fine Territory.	One-half Blood Domestic.
	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>
Sorted wool.....about..	85	80	80
Top and noil.....“	44 $\frac{1}{4}$	26	32
Tops, standard condition.....“	39 $\frac{1}{4}$	21 $\frac{1}{2}$	27 $\frac{1}{4}$

3. The loss between top and finished dress goods approximates 15 per cent to 22 per cent.

4. One hundred pounds scoured wool would produce about 60 per cent to 65 per cent finished cloth.

5. Regarding the question of comparative scale of wages here and as paid on the European continent, we beg to say that so far as we are informed the wages in this country are at least twice that paid abroad, and in many cases three times higher.

The Australian wools that we use are the lighter shrinkage wools from that country, which, under existing conditions, we can import to better advantage than the heavier shrinkage wools which form the bulk of the clip.

By express we are sending you four specimens of our dress goods, marked as follows :

"Style No. 3 (low) ;" "style No. 6 (med.) ;" "style No. 7 (fine) ;" "style No. 4 (best)," which we hope will serve your purpose.

We also take pleasure in acknowledging receipt of your favor on the 2d instant with pamphlet referred to by you, for which we thank you.

We trust the above information will aid you in convincing the Ways and Means Committee of the importance that the compensatory duties, as now fixed, be maintained on our class of goods, and that they will see the justice to so recommend the present tariff to be continued in the new tariff law they intend to introduce.

We remain yours very truly,

BOTANY WORSTED MILLS,
FERD. KUHN, *Treas.*

HOCKANUM COMPANY,
ROCKVILLE, CONN., January 6, 1909.

MR. WILLIAM WHITMAN, 78 Chauncy street, Boston, Mass.

DEAR SIR: At your request we are sending you a number of samples of fine worsteds made from Australian worsted yarns. Our experience in manufacturing these goods is that they show an average shrinking from the worsted yarn in the gray to the finished cloth of 19 per cent, and we account for this 19 per cent shrinking as follows: Six per cent loss in dyeing; $5\frac{1}{2}$ per cent loss in waste; $8\frac{1}{2}$ per cent loss in finishing. Thus, 100 pounds of yarn in gray produces 91 pounds after dyeing, 88.7 pounds greasy cloth, 81.2 pounds of finished cloth.

Trusting that this is what you want,

Yours very truly,

F. T. MAXWELL, *Treas.*

GLOBE WOOLEN COMPANY,

UTICA, N.Y., January 1, 1909.

MR. WILLIAM WHITMAN, *President, 683 Atlantic avenue, Boston, Mass.*

DEAR SIR: Your favor of December 30 received. Inclosed please find statement showing weight of finished cloth in each of the samples we sent you that can be made from 1 pound of scoured wool. The inclosed statement, taken in connection with our statements sent you dated December 23, 1908, will show the details of shrinkage from greasy wool to finished cloth.

The 80 Australian referred to means grade of wool and not size of yarn.

Yours truly,

GLOBE WOOLEN COMPANY,

JOHN SIMSON, *Superintendent.*

CARDED WOOLEN CLOTH.

SAMPLE.	Weight of Scoured Wool. Weight of Finished Cloth.	
	Ounces.	Ounces.
Te	16	11.25
13.....	16	11.25

WORSTED CLOTHS MADE OF COMBED WOOL.

SAMPLE.	Weight of Scoured Wool. Weight of Finished Cloth.	
	Ounces.	Ounces.
1103.....	16	11.40
319½.....	16	10.41

LAWRENCE, MASS., January 4, 1909.

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS, *Boston, Mass.*

GENTLEMEN: With reference to your favor of December 31, and answering the inquiries you made in your letter of December 11, we are herewith inclosing eight reference samples: First, two fancy wools, our 5600 and 6000 lines; second, three fancy worsteds, our 4450, 5250, and 8200 lines; and third, serges, our 160, 180, and 300

In paragraph 3 we designate the loss between scoured wool and finished cloth on our woolen fabrics.

We hope this matter is sent you in satisfactory shape.

Yours faithfully,

GEORGE E. KUNHARDT.

I. CARDED WOOLEN CLOTHS.

A.	B.	C.	D.	
5600	4 pounds 9 ounces	Class 1.	Domestic.	Fall California.
6000	3 pounds 1 ounce.	" "	"	California and territory.

II. WORSTED CLOTHS MADE OF WORSTED YARNS.

A.	B yarn.	
160.....	17.3 ounces	2/40s X Arlington gray yarn, colored.
180.....	" "	2/42s XXX special Arlington gray yarn.
300.....	17.5 "	2/28s X Arlington gray yarn.

III. LOSS BETWEEN SCAURED WOOL AND FINISHED CLOTH.

In the above 5600 line the equivalent for 1 pound of scoured wool is .78 pound finished cloth.

In the above 6000 line the equivalent for 1 pound of scoured wool is .83 pound finished cloth.

MEMORANDUM.

If 1 pound of scoured wool makes .78 pound finished cloth, it would require 20.5 ounces of scoured wool to make 1 pound of finished cloth.

If 1 pound of scoured wool makes .83 pound finished cloth, it would require 19.3 ounces of scoured wool to make 1 pound of finished cloth.

THE ROCK MANUFACTURING COMPANY,
ROCKVILLE, CONN., December 17, 1908.

GENTLEMEN: We hand you herewith our method of figuring the cost per finished yarn of the wool used in making an indigo, wool-dyed, steam-finished dark blue uniform cloth, to weigh sixteen (16) ounces per linear yard

Taking 4000 pounds of fine domestic wool in the grease, there will be a shrinkage during the process of scouring of 68 per cent. This will give 1280 pounds of clean white wool.

During the various processes of manufacture — carbonizing, coloring, carding, spinning, dressing, weaving, and finishing — there will be an additional shrinkage of 28 per cent, which will leave 921.60 pounds of finished cloth.

	Pounds.
Fine domestic wool in the grease	4.000
68 per cent shrinkage during scouring	2,720
Clean white wool	1,280
28 per cent shrinkage during manufacture	358.4
Pounds of finished cloth	921.6

Four and one-half pounds of greasy wool to 1 pound of cloth.

We hand you below a sample of the cloth produced by the above schedule.

Truly yours,

THE ROCK MANUFACTURING COMPANY.

WATERLOO WOOLEN MANUFACTURING COMPANY,
New York, January 4, 1909.

WILLIAM WHITMAN, Esq., *President National Association of Wool Manufacturers* (Care Harding, Whitman & Co., 348 Broadway, New York).

DEAR SIR: Replying to your various communications, I have sent you two samples, as follows:

CARDED WOOLEN CLOTHS.

(1) Blue broadcloth, 54 inches wide inside selvage, weight 16 ounces per linear yard, made from Australian 70s merino; quantity of greasy wool in each pound of cloth 55 ounces, on the basis of 56 per cent shrinkage. Quantity of scoured wool in each pound of cloth approximately $1\frac{1}{2}$ pounds.

(2) Blue broadcloth, 54 inches wide inside selvage, weight 16 ounces per linear yard, made from fine unwashed fleece wool grown in Ohio, West Virginia, or Pennsylvania; quantity of greasy wool in each pound of cloth 67 ounces, on the basis of 64 per cent shrinkage. Quantity of scoured wool in each pound of cloth approximately $1\frac{1}{2}$ pounds.

2. We do not make worsted cloths from combed wools.

3. We spin all of the woolen yarns used in our fabrics.

Although the shrinkage of the Australian wool used in sample No. 1 is given as 56 per cent, it is proper to state that in Europe similar goods are made from wools of a much higher shrinkage. On account of the specific duty on wool, it is necessary to select for importation such as is of low shrinkage. Owing to the relatively small quantity of this there is keen competition among purchasers for America. It follows that European manufacturers obtain equally good wool of heavier shrinkage at a lower price per scoured pound. It follows also that America can import only in very limited quantities the fine wools grown in South America and the Cape of Good Hope.

It is stated above that approximately $1\frac{1}{2}$ pounds of scoured

wool are required to make 1 pound of goods. This is subject to variation depending on the amount of vegetable matter, kemp and short fiber in each purchase of wool, upon the amount of finish given the cloth, and is also influenced by the fact that most broadcloth manufacturers deliver goods weighing more than the contract calls for. Thus $1\frac{1}{2}$ pounds of scoured wool will produce sometimes .975 pound of cloth, sometimes 1.08 pounds of cloth, the variation between these limits depending on the factors mentioned above.

Yours truly,

WATERLOO WOOLEN MANUFACTURING CO.,
A. M. PATTERSON, *President*.

BLOOMFIELD, N.J., January 9, 1909.

WM. WHITMAN, ESQ., *President National Association of Wool Manufacturers, 683 Atlantic avenue, Boston, Mass.*

DEAR SIR: We have your favor of yesterday's date requesting that we send the quantity represented in pounds of scoured wool required for one pound of finished cloth in the several samples previously sent to you. We forwarded yesterday the same information represented by percentages, but now inclose the same as you request, in pounds

Pounds scoured wool to
1 pound finished wool.

Woolens:

Sample A	1.44
Sample B	1.41
Sample C	1.40
Sample D	1.38
Sample E	1.38

Worsted:

Sample F	1.41
Sample G	1.42
Sample H	1.44
Sample I	1.41

The results, so far as our samples are concerned, are so uniform we think an average of 1.40 would fairly represent the scoured quantity for one pound finished product.

Yours truly,

THOMAS OAKES & Co.

M. T. STEVENS & SONS COMPANY,
NORTH ANDOVER, MASS., January 11, 1909.

Goods.	Weight per Square Yard.	Quality of Stock.	Pounds Clean Wool Required to Produce one Pound of Goods.
Dress goods :	<i>Ounces.</i>		
E.....	3.75	Fine medium territory...	1.30
F.....	4.5	" " " "	1.30
D.....	5.7	" " " "	1.32
Broadcloth :			
A.....	5.5	" " " "	1.32
B.....	6.3	" " " "	1.4
C.....	6.9	Cape and Port Phillip...	1.4

A SUMMARIZED STATEMENT.

The tables of Harry Hartley & Co. show the actual quantity in pounds of wool top, worsted yarn and finished goods made from 100 pounds of greasy wool in the bale, and the equivalent number of pounds of greasy wool required for the cloth recapitulated as follows :

CHARACTER OF WOOL.	Pounds of Tops.	Pounds of Worsted Yarn.	Pounds of Finished Goods.	Equivalent of Greasy Wool in Cloth.
Fine merino territory	21.73	20.64	17.55	5.7
Fine medium territory	24.45	23.23	19.75	5.1
Medium one-half blood territory	28.80	27.36	23.27	4.3
Fine medium unwashed Ohio and Michigan	26.47	25.15	21.38	4.7
Average fine Texas.....	24.45	23.23	19.75	5.1
Twelve months Texas, long staple	27.90	26.50	22.53	4.4
One-quarter blood territory...	37.30	35.43	30.12	3.3

From the best estimate obtainable the average shrinkage from greasy wool to scoured wool of the entire wool product of the United States is at least 60 per cent.

On this basis, 100 pounds of such greasy wool would, as a broad, general statement, yield, on the average, 97½ pounds of

sorts, 39 pounds of scoured wool, $31\frac{2}{10}$ pounds of top, $29\frac{1}{2}$ pounds of worsted yarn, 25 pounds of finished worsted cloth.

From the testimony already received we have the following results :

Carded woolen cloths. — Ten exhibits; 24 samples from mills making finished goods from greasy wool bought in the bale. Average, 3.73 pounds of wool to 1 pound of cloth; lowest, 3 pounds; highest, 4.64 pounds.

Carded woolen cloths. — Eight exhibits; 28 samples showing the amount of scoured wool required to make 1 pound of finished cloth. Average, 1.37 pounds; lowest, 1.20 pounds; highest, 1.55 pounds.

Compensating duty required on the basis of scoured wool dutiable at 33 cents equals 45.21 cents.

Worsted cloths from mills making their own tops and yarns. — Three exhibits; 12 samples. Average, 3.66 pounds of wool to 1 pound of finished cloth; lowest, 2.56 pounds; highest, 4.55 pounds.

Worsted cloths from mills making their own tops and yarns. — Three exhibits; 12 samples showing the number of pounds of scoured wool required to make 1 pound of finished cloth. Average, 1.55 pounds of scoured wool to 1 pound of finished cloth; lowest, 1.40 pounds; highest, 1.78 pounds.

Compensating duty required on the basis of scoured wool dutiable at 33 cents equals 51.15 cents.

Worsted cloths made by manufacturers who purchase their worsted yarns, showing loss between yarn and cloth. — Two exhibits; 11 samples; 8 Australian worsted yarn; 1 Australian and territory yarn; 2 fine medium territory yarn; 18.84 ounces of worsted yarn are required to make 1 pound of finished goods; shrinkage, 15+ per cent

These exact statements, drawn from the actual business experience of representative importers of wool and manufacturers of woolen and worsted fabrics, are strong cumulative testimony that the standard of 4 pounds of greasy wool to 1 pound of finished cloth, the long-recognized basis of the compensatory duty, is a just standard, and that it ought to be embodied in the wool and woolen schedule of the tariff law which the Committee on Ways and Means is now considering. It is not denied that there are wools less than 4 pounds of which will produce a pound of cloth.

Those hostile interests which attack our compensatory duty as a part of the protective system are in the habit of selecting such wools, as has been done by certain English manufacturers of Bradford, in a brief submitted to your committee by their representatives, F. Butterfield & Co., of New York. But, on the other hand, there are wools in constant use in this country, of both foreign and domestic production, more than 4 pounds of which are required to produce a pound of finished cloth.

That statement of Senator Aldrich, chairman of the Senate Committee on Finance, which we have already quoted, goes right to the heart of this question of compensatory duties when, referring to the foes of a protective policy, Senator Aldrich says :

They have selected certain kinds of wool, and declared that in these particular instances the proportion of shrinkage and waste is only as 2 or 3 pounds of wool to 1 of cloth. I grant there are such instances ; but, as it is the weakest link in the chain or the lowest point in the levee that determines efficiency, so we are bound to take the highest-shrinkage wools accessible to foreigners and to calculate the compensatory duty on the basis of these. If our manufacturers are excluded from the use of this class of wools, their competitors do use them, and it is against these that the equalization of conditions is to be effected.

Again, it has been argued that the formula is wrong because certain fabrics are produced in which 4 pounds of wool, even of this high-shrinking quality, are not required to manufacture a pound of goods, while the compensatory duty is fixed at four times the wool duty. Goods woven on cotton warps or containing some admixture of shoddy are cited. I grant the facts in this instance also. But we must, as I have already shown, arrange the compensation on the basis of the best cloths ; otherwise we should determine, by our legislation, that the manufacture in this country shall be confined to the lower grades of goods. That would be to affix the brand of permanent inferiority upon our woollen manufactures. Nor is it possible in a tariff bill to so adjust a system of compensatory duties that it shall exactly fit the amount of wool consumed in an almost infinite variety of fabrics

Another objection that may be urged to accepting the proportion of 4 pounds of wool to 1 pound of cloth, and allowing a compensatory duty on this basis, is that the great shrinkage in the wool is not always fully lost — as in the case of noils, for

instance. But the manifest reply to this, which has been presented before and is now emphasized again, is that though these noils have a value, that value is very much less than the foreign or original cost of the wool from which they were made — less than the foreign cost of the wool exclusive of the duty. Thus, it is plain that the manufacturer, who pays the duty on the wool and the noils included in it, does not recover the duty paid upon the noils when he sells them. Therefore the value of the noils can rightfully be eliminated from the calculation.

What the tariff makers have sought in past years is to fix a fair average standard, sufficient under all normal circumstances to compensate American wool manufacturers for the relatively high rates of duty which they are required to pay upon their raw material. This standard of 4 pounds of greasy wool to 1 pound of cloth, though often assailed by rival foreign manufacturing interests and their representatives in the United States, has stood the test of forty years of critical examination, and we urge you respectfully that it once more be adopted by your committee in the preparation of the new tariff law.

Very truly yours,

WILLIAM WHITMAN, *Boston,*

President and Chairman Ex Officio,

FREDERIC S. CLARK, *North Billerica, Mass.,*

WALTER ERBEN, *Philadelphia, Pa.,*

LOUIS B. GOODALL, *Sanford, Me.,*

EDWIN FARNHAM GREENE, *Boston, Mass.,*

JOSEPH R. GRUNDY, *Philadelphia, Pa.,*

JOHN HOPEWELL, *Boston, Mass.,*

GEORGE E. KUNDHARDT, *Lawrence, Mass.*

J. R. MACCOLL, *Pawtucket, R.I.,*

FRANCIS T. MAXWELL, *Rockville, Conn.,*

J. F. MAYNARD, *Utica, N.Y.,*

THOMAS OAKES, *Bloomfield, N.J.,*

WINTHROP L. MARVIN, *Secretary,*

Tariff Committee National Association of Wool Manufacturers.

COMPENSATORY DUTIES.

ADDITIONAL STATEMENT SUBMITTED BY THE NATIONAL
ASSOCIATION OF WOOL MANUFACTURERS FEBRUARY 10,
1909.

BOSTON, MASS., February 9, 1909.

HON. SERENO E. PAYNE, *Chairman of the Committee on Ways
and Means, House of Representatives, Washington, D.C.*

DEAR SIR: I wish to submit to you herewith some supplementary statements from manufacturers relative to the compensatory duties, showing the amount of greasy wool required to make a pound of cloth, the shrinkage between top and yarn, etc.

The American Woolen Company submits ten samples of woolen and worsted fabrics, and states that from 3.34 to 4.55 pounds of greasy wool are required to produce one pound of these fabrics.

John and James Dobson, of the Falls of Schuylkill Carpet & Plush Mills, submit four samples of cloths, and state that with the exception of the Australian wool it takes more than four pounds of unwashed wool to make a pound of these cloths — the Australian a little less.

The Middlesex Company submits two samples of uniform cloth, and states that a little more than four pounds of greasy wool are required to make one pound of one of these fabrics and slightly over five pounds to make one pound of the other.

Statements of the Pocasset Worsted Company, S. Slater & Sons, the Standish Worsted Company and the Dunn Worsted Mills relate to the shrinkage between tops and yarn, yarn and cloth, scoured wool and cloth, etc.

This testimony is confirmatory of other statements of manufacturers already submitted by us to your committee.

I submit also a statement of Brown & Adams, wool commission merchants of Boston, that Australian fine wools will shrink from 45 to 65 per cent, Cape wools from 55 to 75 per cent, and South American wools from 50 to 72 per cent — confirming in general statements already filed with the committee from John G. Wright and Farnsworth, Thayer & Stevenson, that four pounds

of greasy wool to one pound of finished cloth is the proper basis of a compensatory duty.

Very truly yours,

WILLIAM WHITMAN,
Boston,

President and Chairman Ex Officio,

FREDERIC S. CLARK,
North Billerica, Mass.,

CHARLES H. HARDING,
Philadelphia, Pa.,

LOUIS B. GOODALL,
Sanford, Me.,

JOSEPH R. GRUNDY,
Philadelphia, Pa.,

JOHN HOPEWELL,
Boston, Mass.,

JOHN P. WOOD,
Philadelphia, Pa.,

J. R. MACCOLL,
Pawtucket, R.I.,

FRANCIS T. MAXWELL,
Rockville, Conn.,

J. F. MAYNARD,
Utica, N.Y.,

THOMAS OAKES,
Bloomfield, N.J.,

*Tariff Committee National Association
of Wool Manufacturers,*

WINTHROP L. MARVIN,
Secretary.

AMERICAN WOOLEN COMPANY.

WM. M. WOOD, President.

BOSTON, MASS., January 18, 1909.

WM. WHITMAN, ESQ., *President National Association of Wool
Manufacturers, 78 Chauncy Street, Boston, Mass.*

DEAR SIR: We forward you herewith samples of woollen and worsted fabrics and trust the information given below is what you require.

Sample "A": 9 1/2 oz. Broadcloth made from domestic wool.
Requires four lbs. of grease wool or 22 1/2
ozs. of clean wool to make one lb. of cloth.

- Sample "B": 20 oz. Kersey made of Australian wool. Requires 3 1/2 lbs. of grease wool or 22 ozs. of clean wool per lb. of cloth.
- Sample "C": 16 oz. Kersey made from Australian wool. Requires 3 1/2 lbs. of grease wool or 22 ozs. clean wool per lb. of cloth.
- Sample "D": 17 oz. Indigo Kersey made from domestic wool. Requires 4 lbs. of grease wool or 22 1/2 ozs. clean wool per lb. of cloth.
- Sample "1": 13 1/2 oz. Worsted cloth made from domestic wool. Requires 3.34 lbs. of grease wool or 1.64 lbs. of clean wool per lb. of cloth.
- Sample "2": 16 oz. Worsted made of Territory wool. Requires 4.24 lbs. of grease wool or 1.70 lbs. of clean wool per lb. of cloth.
- Sample "3": 18 oz. Worsted made from Territory wool. Requires 4.54 lbs. of grease wool or 1.78 lbs. of clean wool per lb. of cloth.
- Sample "4": 16 oz. Worsted made from Territory wool. Requires 4.55 lbs. of grease wool or 1.54 lbs. of clean wool per lb. of cloth.
- Sample "5": 15 oz. Worsted made from Australian wool. Requires 3.37 lbs. of grease wool or 1.61 lbs. of clean wool per lb. of cloth.
- Sample "6": 18 oz. Worsted made from Australian wool. Requires 3.37 lbs. of grease wool or 1.61 lbs. of clean wool per lb. of cloth.

Yours truly,
 AMERICAN WOOLEN COMPANY,
 C. J. BODFISH,
Mfg. Sec'y.

FALLS OF SCHUYLKILL
 CARPET AND PLUSH MILLS.

JOHN & JAMES DOBSON.

PHILADELPHIA, January 16, 1909.

Dict. Jas. D.

MR. WM. WHITMAN, *President National Association of Wool Manufacturers, 683 Atlantic Ave., Boston, Mass.*

DEAR SIR: I herewith send you four different samples of cloths numbered 1 to 4 inclusive.

No. 1 is a cloth made from all Australian wool. I also send you the amount of scoured fine wool that it will take to make a pound of this cloth, calculated as you will see as per sheet enclosed.

I also send you sample marked No. 2 made from half Australian and half domestic fine Montana, with the same calculations.

I also send you samples made from Ohio wool, marked No. 3, with the same calculations.

I also send you samples No. 4 made from Territory wool, with calculations.

In making these calculations, I take four pounds of each kind of wool in unwashed condition. I think you will find these calculations as near accurate as it is possible to get them. The shrinkage of wools you can ascertain in Boston as well as I can. Of course these are from actual experience. The higher the finish of the goods in the way of Broadcloth, the more the shrinkage will be.

You will notice that the manufacture of Broadcloth is a very different proposition from the manufacture of a worsted piece of goods. In many cases these goods are in the fulling mills for a whole day to be felted; the higher the felting the heavier the loss.

You will notice that, with the exception of the Australian wool, it takes more than four pounds of unwashed wool to make a pound of cloth; the Australian takes a little less. The wools grown in Silesia, in Russia, and the Cape of Good Hope have a much higher shrinkage than the Australian wools, but the average is about the American standard of shrinkage.

Hoping the above information will be of service to you, I remain,

Yours very respectfully,

JAMES DOBSON.

MIDDLESEX COMPANY.

LOWELL, MASS., January 14, 1909

WM. WHITMAN, ESQ., *President National Association of Wool Manufacturers, Boston, Mass.*

DEAR SIR: I beg to hand you herewith two samples of cloth manufactured by the Middlesex Company. These are of a type produced by this Company for a great many years and are used in making uniforms.

Sample No. 1 is made of fine Ohio wool, and from 100 pounds

of wool in the bale we made 24.36 pounds of cloth or a little more than four pounds of wool to a pound of cloth.

Sample No. 2 is made chiefly from Idaho wool, and from 100 pounds of this wool we made 19.87 pounds of cloth or slightly over five pounds of wool to a pound of cloth.

From this it appears that the specific or compensating duty which is based on the theory that four pounds of wool are required to make one pound of cloth is not placed too high as far as it concerns the uniform cloths made by this Company.

Yours respectfully,

C. BROOKS STEVENS, *Treas.*

POCASSET WORSTED COMPANY.

F. C. FLETCHER,

Room 708.

100 Boylston Street.

BOSTON, MASS., January 11, 1909.

MR. WILLIAM WHITMAN, *President National Association of Wool Manufacturers, Boston, Mass.*

DEAR MR. WHITMAN: Replying to your letter of January 9, I am enclosing a memorandum giving the shrinkage losses from top to worsted yarn for the years 1905, 1906, 1907, and 1908. These losses include the invisible losses, and they are exactly as taken from our books. They are figured on the basis of a half blood quality similar to your 4's quality. During the year 1908 the loss is smaller than during the previous years, and this is accounted for by the fact that we have been using finer qualities of wool. We have found, when using quarter blood, both domestic and foreign, our shrinkage loss to go up as high as 16 per cent; and on low quarter bloods I can readily believe that it will in some instances go above 20 per cent.

I am also enclosing some data giving prices of labor in England for a worsted yarn mill similar to the Pocasset; and also data on the selling price of worsted yarn and worsted tops in various qualities in Bradford in November, 1908. You may find it of interest to tabulate these figures, and they may be of value to your Committee in showing the exact conditions, as regards costs, at the present time in this country and Bradford.

Roughly speaking, I find that the labor costs in our own mill are about 130 per cent higher than the costs here given. I think

it is fair to assume that general fixed charges in this country are about double to what they are in England. In tabulating some of these figures I seem to find that if the duty on wool is dropped from 11 to 8 cents, it will be necessary to have a larger ad valorem duty on worsted yarn in order to compensate for this drop, especially on yarns from 40's up to 70's. As the tariff is now, we could readily have a little higher tariff on numbers like 70's and 80's, we finding that we have been unable to compete in the general market against yarn imported from Germany and England in these numbers. Of course, we do not care to make any great amount in these numbers, but if a scientific duty is arranged, it should be arranged so that all classes of worsted yarn should be proportionate in the protection they have from the tariff.

Very truly yours,

F. C. FLETCHER.

POCASSET WORSTED COMPANY.

Memorandum of Shrinkages between the Top and the Finished Yarn, including Waste and Invisible Loss.

1905	10 $12\frac{1}{100}\%$
1906	10 $60\frac{1}{100}\%$
1907	10 $12\frac{1}{100}\%$
1908	8 $92\frac{1}{100}\%$

These shrinkages are based on a half blood quality. During the year 1908 the qualities run in the mill were finer than a half blood; during the other years about an average half blood. When using three-eighths and quarter blood wools, we have had the shrinkages go as high as 16 per cent. The invisible loss, largely moisture, averages about $2\frac{1}{2}$ per cent.

F. C. FLETCHER,
Room 708,
100 Boylston Street.

BOSTON, MASS., January 18, 1909.

WILLIAM WHITMAN, *Pres't National Ass'n of Wool Mfrs.,*
Boston, Mass.

DEAR SIR: I am in receipt of your letter of January 15th.

In the shrinkage report which I gave you there was included the waste made in the spinning; this shrinkage showing the

total difference between the pounds of top used during the year and the yarn produced, taking waste of all kinds made in the mill. We find in making tests on small lots that there is a great variation in the percentage of shrinkage, owing to the invisible loss being different on different days. We also find that there is a loss between the tops at $13\frac{1}{4}$ per cent condition and the yarn shipped out of from $2\frac{1}{2}$ to 3 per cent, and our yearly figures of invisible loss bear out the average loss figured from week to week.

Another point which I might mention is, that we take a great deal of sliver out of the top in the drawing, seldom finding the top clear enough all the way through to allow none of the sliver to be taken out in one or the other of the preparations. It is possible that we make more waste here than a mill ordinarily would do which makes the tops in its own mill, and to some degree this might account for a seemingly higher proportion of waste than you figure at the Arlington Mills.

Trusting the above answers your question,

Very truly yours,

F. C. FLETCHER.

MARLBOROUGH-BLENHEIM,
Atlantic City, N.J.

JANUARY 14, 1909.

WILLIAM WHITMAN, Esq.

DEAR SIR: Enclosed please find original letter from Mr. Spaulding Bartlett to me under date of January 19, answering the questions in yours to me of January 7th.

I am

Very truly yours,

FRANK BULKELEY SMITH,

Treas., S. SLATER SONS, INC.

S. SLATER & SONS, Incorporated,
WOOLEN MILL.

WEBSTER, MASS., January 12, 1909.

FRANK BULKELEY SMITH, Esq., *Marlborough-Blenheim, Atlantic City, N.J.*

DEAR SIR: Yours of the 11th, from Baltimore, enclosing Mr. Whitman's letter of January 7th. is received, and I would answer his questions as follows:

1. *Silesian Twill*. The Fine Ohio wool used in the manufacture of this cloth was *washed*.

2. *The 444 Cloth* was made of *unwashed* wool, and in using the word "domestic" we do not intend to distinguish it from Territory wool because it was made of Territory wool, but used the word "domestic" because, in Mr. Whitman's letter of December 11th, under the head, "Carded Woolen Cloths," question D, he asks us to state in the case of each whether it is made of *foreign* or *domestic* wool.

3. It takes 20.8 ounces of *scoured wool* to make one pound of finished cloth of the character of the two samples sent him, that is, the Silesian Twill and the 444 Cloth.

Respectfully,

S. BARTLETT.

B. F. MELLOR, President,
THE STANDISH WORSTED COMPANY,
Makers of High Grade Cloth,
Mills, Plymouth, Mass.

PLYMOUTH, MASS., January 20, 1909.

MESSRS. HARDING, WHITMAN & CO., *Boston, Mass.*

MR. WM. WHITMAN:

DEAR SIR: Yours of the 14th received and noted. In reply please find enclosed four samples of our cloth, two light and two heavy weights. On sample marked No. 1 we require 13 1/2 ounces of yarn and the cloth finishes 12 1/2 ounces. On sample marked No. 2 we require 15 ounces of stock and the cloth weighs 13 1/2 ounces. On sample marked No. 3 we require 18 1/2 ounces of stock and the cloth weighs 17 ounces. On the sample marked No. 4 we require 18 1/2 ounces of stock and the cloth weighs 17 ounces.

These samples represent the various kinds of yarn which we use in largest quantities, and we hope they will give you the information you desire.

Yours truly,

THE STANDISH WORSTED COMPANY.

E. H. Dow.

DUNN WORSTED MILLS,
Fine Fancy Worsteds and Piece Dyes.

JOHN B. DUNN, President,
ERVIN L. DUNN, Treasurer.

WOONSOCKET, R.I., January 18, 1909.

MR. WILLIAM WHITMAN, *President National Association of
Wool Manufacturers, Boston, Mass.*

DEAR SIR: Your favor of the 14th received during writer's absence, hence the delay in answering same. Under separate cover we are mailing you samples of cloth made from XXXX grade, XXX grade and PX grade. We do not make a cloth from grade similar to Prime. These goods we have made for some length of time and writer has gone over our figures very carefully and finds that they average as follows: XXXX stock averages 1.10 pounds of worsted yarn to make one pound of worsted cloth. XXX stock averages 1.113 of worsted yarn to make one pound of worsted goods. PX stock averages 1.16 pounds of worsted yarn to make one pound of worsted goods. We trust this information will be satisfactory to you.

Yours very truly,

DUNN WORSTED MILLS.

E. L. DUNN, *Treas.*

BROWN & ADAMS,
Wool Commission Merchants,
274, 276 and 278 Summer St.

BOSTON, January 13, 1909.

WM. WHITMAN, ESQ., *President National Association of Wool
Manufacturers, Boston, Mass.*

DEAR SIR: In response to your question as to the shrinkages of foreign wools we beg to reply that based on our experience as wool merchants covering a long period of years, it is our belief that by far the larger proportion of the foreign wools grown of Merino blood will shrink on the average over 56 per cent. To be more specific, would say that the Australian fine wools as a class will shrink all the way from 45 per cent to 65 per cent. Wools from the Cape of Good Hope the shrinkage is from 55 to 75 per cent. From South America from 50 to 72 per cent. The Spanish wools will average around 64 per cent. The French wools around 65 per cent, and the German wools around 65 per cent.

Very truly yours,

BROWN & ADAMS.

THE WOOLEN PARAGRAPHS OF THE DINGLEY BILL.

WHY THEY SHOULD NOT BE ALTERED.

A STATEMENT SUBMITTED TO THE COMMITTEE ON WAYS AND MEANS
BY THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS FEBRUARY
10, 1909.

YARNS.

365. On yarns made wholly or in part of wool, valued at not more than thirty cents per pound, the duty per pound shall be two and one-half times the duty imposed by this Act on one pound of unwashed wool of the first class; valued at more than thirty cents per pound, the duty per pound shall be three and one-half times the duty imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, forty per centum ad valorem.

Yarns.—The total importation of yarns made wholly or in part of wool, during the ten years ending June 30, 1908, was 2,295,554 pounds, valued at \$1,500,377. All but 287,941 pounds, of a value of \$82,143, represents yarn of a valuation above 30 cents a pound. That is, the competition is the sharper in the yarns of greater cost of manufacture, and the present duties are essentially for the protection of American labor employed in the spinning industry.

A very important, precise, and comprehensive statement on the cost of making worsted yarns in Bradford, England, and in Philadelphia has already been presented to your committee, from Mr. Walter Erben, president of the Erben-Harding Company. Mr. Erben shows in close detail the cost of producing worsted yarn in Bradford and in the United States, and proves conclusively that the present ad valorem duty is absolutely essential for the protection of the home manufacturer.

CLOTHS.

366. On cloths, knit fabrics, and all manufactures of every description made wholly or in part of wool, not specially provided for in this Act, valued at not more than forty cents per pound, the duty per pound shall be three times the duty imposed by this Act on a pound of unwashed wool of the first class; valued at above forty cents per pound and not above seventy cents per pound, the duty per

pound shall be four times the duty imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, fifty per centum ad valorem; valued at over seventy cents per pound, the duty per pound shall be four times the duty imposed by this Act on one pound of unwashed wool of the first class and fifty-five per centum ad valorem.

Cloths. — The total importation of cloths, woolen or worsted, for the ten years ending June 30, 1908, was 43,578,532 pounds of a value of \$45,005,603. Of this importation no less than 38,469,620 pounds, valued at \$41,997,244, was represented by cloths valued above 70 cents per pound, on which was paid the highest duty rate of 44 cents a pound and 55 per cent ad valorem. It is in these relatively high grade goods that the competition of foreign manufacturers is most directly and keenly felt. Any reduction in the duty on these high-cost goods would be ruinous to American industry. Our manufacturers of these fabrics need the entire protection granted to them by the Dingley law of 1897.

In these cloths, as well as in dress goods and woolen and worsted goods in general, the American manufacturers have to contend not only with the cheaper materials and supplies and the cheaper wages of foreign manufacturers, but also with the tenacious notion or superstition, more prevalent perhaps in America than in other countries, that the imported article must necessarily be superior in quality to the corresponding article of domestic production. This idea is habitually encouraged by a great many retail merchants, who seek thereby to secure a higher profit on imported goods than they would otherwise obtain, or than they could obtain from an equally meritorious domestic fabric. This is a factor in the competition between the American and foreign wool manufacturing industry which ought not to be ignored in the adjustment of adequate protective duties.

Moreover, it should be remembered that the importation of woolen and worsted cloths, valued at \$45,005,603, in the ten years ending June 30, 1908, embodies the foreign valuation — not the American valuation duty paid, which would be practically double. Therefore, instead of displacing \$45,000,000 worth, this foreign importation actually displaced about \$90,000,000 worth of corresponding American goods, or about \$9,000,000 a year.

In the less expensive grades of woolen and worsted cloths, as in similar grades of blankets and flannels, it is true that there have been relatively small importations. This is due not to any actual, excessive rate of duty, but to the significant fact that with adequate protection American manufacturers have developed their industry to such an efficiency and have attained such a great volume of production that their competition one with another has reduced the prices of the less expensive goods to such a point that importation is unprofitable. In other words, the prices of the woolen and worsted goods, as of the blankets and flannels, bought and worn by the masses of the people in this country are fixed habitually by the keen competition of American mills, without direct regard to the height of the tariff.

This is as it should be. It is perfectly natural and proper that American manufacturers of cloths, as well as of clothing, should supply the great bulk of the American home market. This is a thoroughly satisfactory condition, and Congress will be following the path of wisdom if it determines to let well enough alone. Even a moderate reduction of the tariff duties covering the less expensive grades of woolen and worsted goods would be fraught with danger, because, judging the future by the past, the European manufacturers of cheap goods, who notably in England have unrivalled skill in the manipulation of shoddy and other low-grade materials, would be encouraged by any such reduction to make extraordinary efforts to exploit the American market, which they are now making little or no effort to reach. How demoralizing and disastrous is this kind of foreign competition, the history of the Gorman-Wilson law is sufficient to demonstrate. A relatively small reduction in the actual rate of protection then flooded this country with foreign shoddy goods, to the injury of the American people who were deluded into purchasing these fabrics, as well as of the American manufacturers. Any increase of revenue that might result from an opening of the gates to the cheap shoddy goods of Batley and Dewsbury would be dearly bought by the destruction of a part of the American wool manufacturing industry and by a degradation of the clothing of the American people. When it comes to the artful manipulation of shoddy and of other cheap wool substitutes, American mills confessedly are mere amateurs as compared with their rivals across the Atlantic Ocean.

BLANKETS AND FLANNELS.

367. On blankets, and flannels for underwear composed wholly or in part of wool, valued at not more than 40 cents per pound, the duty per pound shall be the same as the duty imposed by this Act on two pounds of unwashed wool of the first class, and in addition thereto thirty per centum ad valorem; valued at more than 40 cents and not more than 50 cents per pound, the duty per pound shall be three times the duty imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto 35 per centum ad valorem. On blankets composed wholly or in part of wool, valued at more than 50 cents per pound the duty per pound shall be three times the duty imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto 40 per centum ad valorem. Flannels composed wholly or in part of wool, valued at above 50 cents per pound, shall be classified and pay the same duty as women's and children's dress goods, coat linings, Italian cloths, and goods of similar character and description provided by this Act: *Provided*, That on blankets over three yards in length the same duties shall be paid as on cloths.

BLANKETS.

The total importation of blankets of all kinds for the ten years ending June 30, 1908, was 377,552 pounds, valued at \$310,419, on which there was collected in duty \$264,504, an average ad valorem rate of 85.21 per cent.

According to the Federal census there were produced in 1905 in the United States 19,869,262 square yards of all-wool, union, and cotton warp bed blankets valued at \$6,242,079; 7,666,873 square yards of all-wool, union, and cotton warp horse blankets valued at \$1,723,916, and 1,375,186 square yards of carriage robes valued at \$1,240,094.

Because the rates of duty on blankets seem relatively high and relatively small quantities are imported, it has been urged that the tariff, especially on the cheaper grades, amounts to a tax upon the blankets of the working people.

As a matter of fact, as was urged by us in the hearing of December 2, 1908, before your committee, the real reason why relatively few blankets are imported is not the rate of tariff duty but the fact that there is active production and intense competition on the part of the blanket manufacturers of the United States. It is their energy, shrewdness, and foresight employed in constant rivalry one with another that have so reduced the

cost of the poor man's blanket manufactured in this country that there is very little inducement or opportunity to import blankets from abroad.

We have procured from a number of representative blanket manufacturers statements showing their average annual profit on their total sales for the past five years. These statements are herewith submitted, duly numbered, with a confidential memorandum giving the names of the concerns furnishing them — these names for the use of the committee but not for publication. The statements show average net profits for all the concerns of 6.21 per cent. These are surely not excessive profits for a manufacturing industry subject to such close and incessant competition. There are no indications here either of a disposition or a power on the part of these manufacturers to exact an unreasonable price for their blankets from the masses of the American people.

Foreign concerns with cheaper wool and cheaper labor have an important advantage over American manufacturers. These American concerns, whose figures of profit have been given, could not endure the handicap of increased foreign competition without serious embarrassment. A reduction of a few cents on the average cost of a blanket would be purchased at a high price if it involved the crippling of the American blanket industry which, by the exercise of notable business sagacity and mechanical skill, has brought the domestic production of blankets to a high state of efficiency and has steadily reduced the price of its product to the lowest point compatible with a fair price for American materials and fair wages for American labor.

FLANNELS.

Flannels for underwear, which are made dutiable in the same paragraph with blankets (Par. 367), are not now largely imported into the United States. Nor are they produced here in quantities so large as years ago. According to the census report of 1905, the production of all-wool, union, and cotton warp flannels in the United States fell from 61,195,501 square yards valued at \$18,582,549 in 1890, to 20,117,663 square yards valued at \$4,613,129 in 1900, and to 20,269,730 square yards valued at \$4,344,262 in 1905. It is probable that in the census reports of

1900 and 1905 some goods which had previously been classed as flannels were reported as dress goods, but as a general rule the manufacture of flannels has unquestionably decreased heavily since 1890, due to changing demands of fashion. For underwear, knit goods, and for outer wear, worsteds and serges have largely taken the place of the flannels of years ago.

Flannels for underwear, composed wholly or in part of wool and valued at less than 50 cents a pound, are subject to the same duties as blankets of the same valuation. Flannels valued at above 50 cents a pound are dutiable at the same rates as dress goods, coat linings, etc. The importation of flannels for the ten years preceding June 30, 1908, represented a value of \$412,444, being chiefly of grades of highest cost.

American manufacturers of flannels practically command the American market through the excellence and relatively low cost of their wares. The price of the goods is fixed almost regardless of the duty by the activity of domestic competition. Following are the statements of the earnings of blanket manufacturers referred to above:

STATEMENTS OF BLANKET MANUFACTURERS.

No. 1.

JANUARY 11, 1909.

Annual net profit on total sales, 1904-1908, inclusive, as follows:

1904.....	8.9	per cent to sales.
1905.....	12 2	" " "
1906.....	8.7	" " "
1907.....	7.9	" " "
1908.....	3 7	" " "

Annual average profit for five years, 8.3 per cent.

The per cent of total profit to total sales during those five years was 8.3 per cent. But in those five years this company charged off for depreciation, for replacing old machinery with new and for putting in modern sanitary arrangements, nearly one-fifth, bringing the percentage of total profits to total sales, minus these charges, down to 7.1 per cent.

The woolen blanket manufacturers have not, with very few exceptions, made any money on their production, as the constant

call for improvements on the same has necessitated them putting in new and improved machinery, so as to give their goods much more of a finish than they have been doing, and you will find that there have been very few new mills started up making wool blankets.

On the contrary, on all cotton blankets for the past five years there have been a great many new and large mills started, and the blankets made by them have been so improved that to-day they are taking the place of wool blankets, and where \$1 per pair a few years ago was the highest price made on all cotton blankets, to-day they sell as high as \$2.50 per pair, and have almost superseded the cotton and wool blankets at this price.

To give you an idea of how these cotton blankets look, compared with wool blankets, I am sending you seven sample swatches of different grades, as follows :

No. 1	11/4	3-1/2 lb.	All cotton.....	\$1.10
" 2	" 5	"	" "	1.50
" 3	" 4-1/2	"	Cotton warp, 10% wool in the filling	1.75
" 4	" 5	"	" " 33-1/3% wool in the filling ...	2.75
" 5	" 5	"	All wool, warp and filling.....	4.00
" 6	" 6	"	Cotton warp, all wool filling	6.00
" 7	" 6	"	All wool, warp and filling	12.00

You will see by the above the large percentage of cotton in low-price blankets, and I think we are safe in saying that in the United States there are more pairs of cotton blankets made than of wool blankets.

No. 2.

DECEMBER 30, 1908.

We herewith submit a statement showing the net gains and amount of sales for the five years 1904-5-6-7-8, in accordance with agreements of manufacturers present at meeting December 22 :

DATE.	Net Gain.	Value Sales.	Per Cent of Gain to Sales.
1904	\$20,917.99	\$306,597	6.82
1905	31,149.13	376,900	8.24
1906	41,523.96	456,834	9.09
1907	34,594.38	420,647	8.22
1908	6,948.31	251,713	2.75

Annual average profit for five years, 7.45 per cent.

No. 3.

DECEMBER 28, 1908.

We take pleasure in submitting the report of our blanket mill as follows :

Profit for 1904, 12.02 per cent ; for 1905, 15.04 per cent ; for 1906, 12.01 per cent ; 1907, 14 per cent ; 1908, 5 per cent. Average for the five years, 11.7 per cent.

If we can serve you, or through you the Ways and Means Committee, on any other matters pertaining to goods of our manufacture, we shall be very pleased to do so.

No. 4.

JANUARY 2, 1909.

In two years out of the last five we have lost money on our blanket department ; and in the other three years we have only been able to show a nominal profit, because the blanket department is run in connection with another department, whereby each saves the other by using up waste at a fair value which would otherwise be unsaleable.

No. 5.

JANUARY 1, 1909.

As per promise made at meeting held December 22, 1908, to give you a signed statement of profits as manufacturers of blankets for the past five years, blankets being the sole article manufactured by us in that time, following are actual figures as taken from our books for the years 1904, 1905, 1906, 1907, and 1908 :

		Net Profits.
Total sales.....	\$1,079,517.53	\$65,189.18
Depreciation on mill and machinery		21,709 28
Total net profits.....		<u>\$43,479.90</u>

Or, say, 4 per cent on our entire sales.

DECEMBER 30, 1908.

Kind of goods made, bed and horse blankets.

Year.	Capital Invested.	Net Cash Value of Sales.	Net Profit.	Percentage of Profit on Capital.	Percentage of Profit on Sales.
1904	\$200,000.00	\$277,820.96	\$14,173.90	7.08	5 10
1905	200,000 00	280,736.49	17,197.62	8.59	6 12
1906	200,000 00	251,595.99	17,623.53	8.81	7.00
1907	200,000.00	256,432.64	21,143.27	10.57	8.24
1908	200,000.00	160,036 52	7,516.03	3.75	4.69
Average of above	200,000.00	245,324 52	15,530 87	7.75	6.33

The above mills, which are the only ones furnishing statements, show percentage of profit to their sales for five years as follows :

Mill No. 1	8.3
“ “ 2	7.45
“ “ 3	11.7
“ “ 4	—
“ “ 5	4
“ “ 6	5.44
“ “ 7	6.33

Average for seven mills, 6.20.

WOMEN'S AND CHILDREN'S COTTON WARP DRESS GOODS,
COAT LININGS, ITALIAN CLOTHS, AND GOODS OF
SIMILAR DESCRIPTION AND CHARACTER.

368. Valued at not exceeding 15 cents per square yard and not above 70 cents per pound, dutiable at 7 cents per square yard and 50 per centum ad valorem.

During the decade from 1899 to 1907 there has been a great increase in the importations under this duty. From 1899 to 1903 the importations were 43,089,678 square yards at an average value of 12.3 cents per square yard; while from 1904 to 1908 the importations of the same goods reached the enormous quantity of 77,257,799 square yards at an average value of 12.2 cents per square yard. It is to be noted that the importations

in 1905 were nearly four times as large as they were in 1899, and in 1908, the year of the panic, they were two times as large as in 1899.

Valued at not exceeding 15 cents per square yard and above 70 cents per pound, dutiable at 7 cents per square yard and 55 per centum ad valorem.

While the importations under this rate are not large, they show a larger percentage of increase than under any other rate. From 1899 to 1903, the importations¹ were 1,710,816 square yards at an average value of 14.1 cents per square yard; while for the years 1904 to 1908 the importations were 6,020,604 square yards at an average value of 13.9 cents per square yard. It is easy to be seen how a comparatively slight decline in fine market values would make these² goods dutiable under a lower rate.

Valued above 15 cents per square yard and not above 70 cents per pound, rate 8 cents per square yard and 50 per cent.

The importations under the above rate have been relatively small and in themselves are not worth considering. A slight decline in foreign values, however, would change goods now dutiable under a higher rate to the lower rate above described.

Valued above 15 cents per square yard and above 70 cents per pound, rate 8 cents per square yard and 55 per cent.

Under the above rate of duty the importations have greatly increased during the last decade. From 1899 to 1903 they were 14,567,828 square yards of an average value of 21.4 cents per square yard; while from 1904 to 1908 the importations were 37,822,941 square yards of an average value of 20.8 cents per square yard. The imports of these goods in 1908 were nearly four times as large as they were in 1899.

Weighing over 4 ounces per square yard and dutiable as cloths.

The imports of such goods have been of no moment. The importations of 1908 of all of such goods amounted to only 186,703 pounds valued at \$186,426. Cotton warp dress goods of the character that would come in under these duties are not desirable for dress fabrics. What are consumed in the United States are

of domestic production and manufactured under the sharpest competition. The specific or compensatory duties on cotton warp goods weighing not over 4 ounces per square yard under paragraph 368 of Schedule K were adjusted at a parity with the compensatory duties on cloths. They are necessary to cover the largest proportion of wool weft compared with the cotton warp in such goods. The proportion of cotton warp in these goods varies from one-quarter to one-third of the whole weight. On goods valued at 12 cents or less per square yard, where the wool filling weighs $2\frac{1}{2}$ ounces per square yard, the wool compensatory duty of 7 cents per square yard is equal to 44.8 cents per pound. Where the proportion of wool filling is 3 ounces per square yard, the wool compensatory duty is equivalent to only $37\frac{1}{3}$ cents per pound. On such goods costing over 15 cents per square yard, the wool compensatory duty is 8 cents per square yard. Therefore on goods containing $2\frac{1}{2}$ ounces of wool this duty is equivalent to 51.20 cents per pound: while on goods containing 3 ounces per square yard it is equivalent to only 42.66 cents per pound.

The low unit of value per square yard of these goods is caused by their *light* weight. They are not inferior goods as might be inferred from their low price. On the contrary, they are good goods and because of their light weight cost relatively more to manufacture than heavy cloths.

The average value per square yard of such goods as are dutiable under the maximum rate approximates closely to the value of all wool dress goods and cloths imported under their maximum rates of duty. The use of cotton warps in the manufacture of such goods does not imply inferiority, for many of the cotton yarns used are of higher value per pound than are the wool filling yarns. The larger part of such goods are made by manufacturers who do not spin cotton yarns, but buy them from others. The duty imposed on such cotton yarns is equivalent to from .833 to 3.507 cents for each $1\frac{1}{3}$ ounces in weight per square yard of cloth, varying according to the fineness or count of the yarn. That the relative duties on the foregoing have been wisely adjusted will appear clear from the following table, and this table will also serve to demonstrate the fallacy of percentages in determining the actual duties imposed.

IMPORTATIONS FOR 1908 ENTERED FOR CONSUMPTION.

UNIT OF FOREIGN VALUE IN CENTS PER SQUARE YARD.	Per Cent of Duty.	Actual Duty in Cents.
12.3	107.10	13.17
14.0	105.10	14.71
16.3	99.01	16.14
20.7	93.59	19.37

It should also be observed that the percentages are calculated on the average value of the importations, and this is misleading, for the goods of the highest value permissible under the schedule would show a much less percentage rate.

WOMEN'S AND CHILDREN'S ALL WOOL DRESS GOODS, COAT LININGS, ITALIAN CLOTHS, BUNTING AND GOODS OF SIMILAR DESCRIPTION OR CHARACTER.

369. Valued at not above 70 cents per pound, rate 11 cents per square yard and 50 per cent.

The importations under the above duty have declined under the present law. From 1899 to 1903 inclusive there were imported 2,737,810 square yards at an average value of 15.4 cents per square yard; while from 1904 to 1908 inclusive there were imported only 702,101 square yards at an average value of 19.1 cents per square yard. This decline of importations is to be attributed to two causes: increase of domestic manufacture and higher foreign values that have necessitated importing such goods under the higher schedule of duty. The limit of 70 cents per pound of value has forced the importation of these goods into the higher schedule of rates. The present duty, however, is an absolute necessity as a protection against lower values and changing of fashion which would enable foreign manufacturers to produce fabrics lower than the limit of value, namely, 70 cents per pound.

Valued above 70 cents per pound, rate 11 cents per square yard and 55 per cent.

Under the above duty the importations of goods have increased enormously. From 1899 to 1903 there were imported 40,067,997

square yards at an average value of 24.1 cents per square yard; while from 1904 to 1908 the importations were 71,677,628 square yards at an average value of 22.8 cents per square yard. The importations in 1908, a period recognized as disastrous, were three times as large as they were in 1899.

Weighing over 4 ounces per square yard, valued at less than 40 cents per pound, rate 33 cents per pound and 50 per cent.

The importations of goods under the above duty are too small to be worthy of consideration. It was neither necessary nor desirable to import them. Whatever may have been consumed in this country were of domestic manufacture and the domestic manufacturers were able to supply the needs of the whole country.

Valued more than 40 and not more than 70 cents per pound, rate 44 cents per pound and 50 per cent.

Importations under the above duty during the decade diminished. This was caused by increased domestic manufacture and also by the higher foreign values which necessitated being dutiable at a higher rate, as will be seen in the following:

Valued more than 70 cents per pound, rate 44 cents per pound and 55 per cent.

Here we find large importations from 1899 to 1908 and averaging in volume very nearly the same yearly throughout the whole period. From 1904 to 1908, the importations were 9,426,446 pounds, of a foreign value of \$9,148,841 at an average value per pound of 97.1 cents.

WITH REFERENCE TO ALL THE FOREGOING DUTIABLE UNDER PARAGRAPHS 368 AND 369

The importation of dress goods, Italian cloths, linings, etc., whether all wool or cotton warp, for the ten years ending June 30, 1908, was valued at \$77,117,421—this being the foreign valuation, and representing approximately twice the duty paid American valuation, or an average importation of upwards of \$15,000,000 a year. Here is real and aggressive competition with American industry, and popular prejudice, as in the case of cloths, assisting the foreign manufacturer. The importation of

these dress goods shows a tendency to increase, for it advanced from \$31,488,575 in the first half of the decade, or the years from 1899 to 1903, inclusive, to \$45,628,846 in the second half of the decade, or the years from 1904 to 1908 inclusive. It is manifest, therefore, that to reduce the protective duty on these fabrics would be to inflict serious injury upon the American manufacturers and to give an increased share of the American market to the European producers with their cheaper materials and cheaper wages. The total production of dress goods composed wholly or in part of wool in the United States, according to the Federal census of 1905, was valued at \$73,173,154.

WILLIAM WHITMAN,

Boston,

President and Chairman Ex Officio,

FREDERIC S. CLARK,

North Billerica, Mass.,

CHARLES H. HARDING,

Philadelphia, Pa.,

LOUIS B. GOODALL,

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J. F. MAYNARD,

Utica, N.Y.,

THOMAS OAKES,

Bloomfield, N.J.,

Tariff Committee National Association

of Wool Manufacturers,

WINTHROP L. MARVIN,

Secretary.

THE SINGLE RATE OF DUTY ON WASHED CLASS
II WOOL.LETTER OF WM. WHITMAN IN REPLY TO STATEMENT OF
EDWARD MOIR, MARCELLUS, N.Y.

BOSTON, MASS., December 23, 1908.

HON. SERENO E. PAYNE, *Chairman Committee on Ways and
Means, Washington, D.C.*

DEAR SIR: When at the recent hearing on Schedule K of the tariff before your committee a certain letter from Mr. Edward Moir, of Marcellus, N.Y., was presented, you asked me to make such reply as I saw proper in a brief to be filed with the committee.

Mr. Moir's first specific point relates to a meeting of a committee of the National Association of Wool Manufacturers and a committee of the National Wool Growers Association some two months ago, "the result of this conference," to quote Mr. Moir's words, "being that both associations agreed to stand pat on Schedule K of the Dingley tariff." Mr. Moir adds that he strongly dissents from such a compact, and apparently wishes Congress to regard it as something reprehensible.

This conference came about in a perfectly natural and proper way, on the initiative of the officers of the National Wool Growers Association, with whom we are in constant correspondence because of the close interdependence of our every-day business interests. These gentlemen, resident in the far west, wrote to us in Boston last summer that there was grave concern in the western wool-growing States because of persistent assertions that the eastern manufacturers, while asking for protection for themselves, were going to demand free trade in wool in the approaching revision of the tariff. These reports, presumably spread in the interests of foreign wool-growing countries through the efforts of foes of our protective system, continued to be circulated throughout the far west. It seemed necessary to put an end in a frank and authoritative way to such misrepresentations. With that end in view a special committee of the National Association of Wool Manufacturers met a committee of

the National Wool Growers Association in Chicago on October 15, 1908. Several subjects of importance to both branches of the wool industry were discussed, the wool growers were directly and positively assured that the manufacturers had no idea of demanding protection for themselves and opposing protection for the farmers and ranchmen of the west, and a resolution was unanimously adopted declaring for a fair and adequate tariff alike for those Americans who raise the wool and for those who spin and weave the fabrics.

This resolution reaffirmed the principle of mutual interdependence first proclaimed by a joint convention of American wool growers and manufacturers at Syracuse, N.Y., in 1865, and protested against a reduction of the present protection on either wool or its manufactures. It was not only a legitimate and proper course — it was a necessary, an essential course — for us as manufacturers to assure our friends, the wool growers, by such a meeting as this at Chicago of the falsity of the misrepresentations of our attitude by interests hostile to us both.

Our position as manufacturers in favor of the present rates of protection to American wool growers was reaffirmed in my address of December 2, 1908, before your committee, when I said :

We believe it to be essential that a great national industry, like the wool industry, should be founded upon independence of foreign countries for the principal supply of its chief raw material. The American wool grower already supplies 70 per cent of the wool used in the wool manufacture.

We believe that the encouragement of the sheep industry not only makes for the security of the woollen industry, but results in cheaper food and clothing for the people.

The second chief specific point of Mr. Moir's letter is stated thus :

When we consider the enormous advantage accruing to part of the worsted industry, such as are bringing fleece-washed wools at a single-duty rate, one does not wonder at Mr. Whitman's association taking time by the forelock and making such a compact with the wool growers. Any one can see the "nigger in this fence," as all other fleece-washed wools suitable for woollen purposes must pay double duty, or 22 cents per pound, and on heavier shrink wool.

It is difficult to understand what Mr. Moir means in these words "enormous advantage." The total annual importations of Class II wools entered for consumption in the five years from 1904-1908, inclusive, average 15,108,304 pounds, as against a total annual average importation of Class I wools of 72,462,472 pounds for the same period, and against a total annual average production of domestic wools of similar kinds of 299,000,000 pounds. The bulk of the wools consumed in the worsted mills of the United States is made up not of the Class II wools, whose use is limited, but of Class I wools, which, if imported washed, pay the double rate of duty.

This single duty on washed wools of Class II has stood in our tariff law since 1867. The desire of the American wool growers in the tariff of 1867, as it is their desire to-day, was to secure ample protection against the importation of clothing wools which compete with the wools produced in this country. All of the clothing wools under the tariffs of 1857, 1861, and 1864 had been imported in an unwashed condition. If they could be imported washed they would evade the duty intended, and this provision was put into the law in 1867 to prevent it. The wools of Class II had always been imported in a washed condition. To apply a double duty to them would have been practically to prohibit their importation. A double duty to-day would also be prohibitive, for there are no washed Class II wools in existence within the tariff definition except those of Great Britain and Canada. These always reach the market in a washed condition, and a double duty would be equivalent to an edict absolutely forbidding their importation, and would have a disastrous effect upon those branches of manufacturing which require these particular wools for lustrous effects. The price of Class II washed wools in Great Britain is enough higher than unwashed wools similar in character grown in other countries to bring them to a parity of value in a scoured state under normal trade conditions. The allegation of Mr. Moir that the present wool duties discriminate in favor of the worsted industry is further covered in the statement which we are preparing, at the request of your committee, in regard to the compensatory duties, explaining how they came to be established, and describing how they apply to the present actual business of representative woolen and worsted manufacturers. Assertions like that of Mr. Moir have been

made at every successive revision of the tariff for nearly forty years, and have always been satisfactorily met and answered.

There always have been woolen manufacturers as well as worsted manufacturers in the National Association of Wool Manufacturers. There were woolen manufacturers as well as worsted manufacturers at that meeting in Boston which Mr. Moir attended. After we had heard Mr. Moir present his case the meeting voted unanimously — Mr. Moir being solitary in his dissent — to sustain the attitude toward the tariff which had been adopted by the committee of which I was chairman. Mr. Moir protested at the Boston meeting that he did not want free wool; that all he wanted was a mere change in form from the present specific to ad valorem duties. It was courteously explained to Mr. Moir by other manufacturers present that his request was entirely impracticable, first, because the wool growers themselves would never consent to ad valorem duties, and second, that it was utterly beyond human ingenuity to devise a satisfactory system of compensatory duties if built upon a basis of ad valorem wool duties. These facts were emphasized again and again by woolen and worsted manufacturers who, without any disparagement of Mr. Moir, have had the advantage of far broader experience and observation.

Very truly yours,

WM. WHITMAN,
President.

SPECIFIC AND AD VALOREM DUTIES ON WOOL.

THE SINGLE RATE OF DUTY ON WASHED WOOLS OF
CLASS II.

STATEMENT SUBMITTED TO THE COMMITTEE ON WAYS AND MEANS BY THE
NATIONAL ASSOCIATION OF WOOL MANUFACTURERS, FEBRUARY 10,
1909.

BOSTON, MASS., February 9, 1909.

HON. SERENO E. PAYNE, *Chairman, Committee on Ways and Means, House of Representatives, Washington, D. C.*

DEAR SIR: We wish to submit in this statement a consideration of the advantage of the specific duty as compared with the ad valorem duty, with especial regard to Schedule K of the tariff relating to wool and manufactures of wool. And in this same connection we would submit a somewhat fuller statement than that contained in our reply to the letter of Mr. Moir of Marcellus, N.Y., in regard to the single duty on combing wool of Class II from England and Canada.

The whole modern trend of economic thought favors the specific form of duty. Germany's tariff, the work of accomplished experts and the result of most industrious and exact investigation—a tariff eulogized as the most scientific in the world—provides specific duties wherever they can be applied. In our American practice, the tendency has steadily been to increase the proportion of specific and lessen the proportion of ad valorem duties. The specific duty has the conspicuous advantage of being precise, unvarying and in-escapable. It is armor-proof against the most adroit and persistent schemes of undervaluation.

A duty of ten or twenty cents a pound or square yard means that and nothing else, in all times under all conditions. It is honest, straightforward, intelligible, unchangeable. The pound or the yard is a fixed exact quantity of measure, readily ascertained. So is the ten-cent or twenty-cent duty. There is no chance for legal casuistry here; no leeway for shifting, eccentric, guesswork appraisal. A specific duty means fair

play to the honest importer, to the domestic producer and to the government. It guarantees the full measure both of protection and of revenue which the tariff law is intended to provide.

A scheming foreign manufacturer or merchant cannot cheat the scale or yardstick. These tell the truth and if they are joined with a specific duty, there can be no cheating of the American competitor or the National treasury. It is significant that the representatives of foreign interests are always contending for fewer specific and more ad valorem duties. The ad valorem duty joined with undervaluations virtually enables the foreigner to fix the rates and to reduce the effective margin of protection.

Moreover, the specific duty is a fixed and certain quantity, day in and day out, year after year. It enables men of business to make exact and reliable calculations. But the ad valorem duty is an uncertain quantity, on which no man can count with confidence. Worst of all, when it is needed most it is least effective. This is one reason why American wool growers have so fiercely and persistently opposed the ad valorem method. As the late Judge William Lawrence declared in his address before the Committee on Ways and Means in 1897:

“A fatal and conclusive objection to ad valorem duties is that when foreign wools decline in price, and thereby produce the greater need of protective duties, the least protection is given, and when foreign wools advance in price and the need of protection becomes less, the greater protection is given.”

The justice of this contention has been and is recognized by the great majority of manufacturers. Another and a conclusive objection to ad valorem duties on wool is that they would not provide the proper basis for the compensatory duties so essential to the prosperity of wool manufacturing. More than once some of the ablest and best-informed men connected with the industry have attempted to devise a just and practicable plan of compensatory duties resting on ad valorem duties on wool, and though these efforts have been entered upon in entire good faith and pursued with the utmost

patience to the point of exhaustion, they have always failed, and the task has long since been abandoned as impracticable.

But though specific duties have great and numerous advantages, it cannot be denied that they have their disadvantages also. One difficulty is that unless the dividing lines or classifications are made so close and numerous as to be confusing or to invite undervaluations, specific duties may superficially appear to be too high on goods of lower price, and if an effort is made to correct this injustice to the poorer purchaser by reducing the specific rate, the result may be inadequate protection on the higher priced or more highly finished products. But for this difficulty which, however, is often more superficial than real, specific duties would be the almost invariable rule in tariff legislation. The woolen schedules of our tariff law endeavor to wisely avoid this by the compound system of specific compensatory joined with ad valorem protective duties.

This compound system goes far to correct or at least to equalize the defects inherent in the two single systems. The specific duty serves as a check to undervaluations, and a necessary bulwark when prices have fallen to a low range abroad. The ad valorem duty softens the contrast which the specific rate if it stood alone might seem to occasion between a high duty on low cost and a low duty on higher cost products. These two forms of duty united in the compound system have stood the test of more than forty years of experience, and have won a good right and title to acceptance in the wool and woolen schedule of the law which the Committee on Ways and Means is now considering.

ENGLISH AND CANADA WOOLS.

Combing wool from England and Canada—a long, rather coarse and distinctly lustrous fiber—is and long has been imported washed, subject to a single duty as wool of Class II. It has been the practice of English and Scotch wool growers for many generations to wash the wool on the sheeps' backs, and this has naturally become the practice of the wool growers of English and Scotch descent in Canada. There has been

some criticism of the fact that wool of Class II, though washed, is imported at a single duty, while wool of the first class, washed, is required to pay double duty—and it has been asserted that this provision of the tariff gives a distinct advantage to worsted as compared with woolen manufacturers.

Such an assertion is based upon a serious misapprehension of the facts. In the first place, this provision for a single duty on washed wools of Class II is not of recent origin or inspiration. It has stood in our tariff law for almost forty years. Indeed it is indispensable if these combing wools are to be imported at all, for they are always washed by the growers themselves, and are always imported washed, and they could not be imported at all if they were subject to a double duty; such a duty on these combing wools would absolutely prevent their use, for the limited purpose for which they are employed, by the manufacturers of America.

NO DISCRIMINATION BETWEEN DIFFERENT BRANCHES OF THE INDUSTRY.

No discrimination was intended and none, as a matter of fact, is made by that clause of the tariff which admits these washed combing wools of Class II at a single duty. These particular wools, like all of the foreign wools embraced in Classes I and II of Schedule K, are equally available to manufacturers engaged in any branch of the industry. While it is true that the coarse, long, lustrous wools, for the most part grown in England and Canada and imported into this country in the washed condition, are best adapted for the production of lustrous goods, and the bulk of these wools are used in the manufacture of coat linings and women's dress goods, yet they could be utilized in the manufacture of men's wear worsteds and woolens if such fabrics as they produce were desired by the American people. As to coat linings themselves, they are a special product and do not compete with the usual products of the woolen mills.

When the tariff of 1867 was enacted the distinction between combing wools and clothing wools was quite different from what it is to-day. The development of the worsted industry

has brought about a complete change in the characterization of such wools. With slight exceptions, it might now be said that all wools grown in the world are suitable either for the worsted or the woolen manufacture, so far as manipulation is concerned. Nearly all the wools that are combed in the United States are prepared for such combing by the carding process. The growth of the worsted industry has compelled the use of what were known as clothing wools not many years ago.

COMBING WOOLS BUT A SMALL PROPORTION.

It cannot be too strongly emphasized that these combing wools from England and Canada, though valuable because of their peculiar qualities to a portion of our worsted manufacturers, form only a small fraction of the total wool importation, or wool consumption of America. The worsted manufacturers, though some of them do require these wools and could not easily produce certain limited kinds of goods without them, yet utilize very much greater quantities of wool of other varieties.

Following is a statement of the imports of Class II wools entered for consumption, exclusive of Angora, alpaca, camel's hair, etc., at all ports of the United States for the fiscal years 1904-1908, inclusive:

	Pounds
1904	11,427,861
1905	19,296,833
1906	15,086,504
1907	9,885,998
1908	9,936,510

Following is a statement of the total gross imports of Class II wools, including alpaca, mohair, etc., at all ports of the United States for the fiscal years 1904-1908, inclusive:

	Pounds
1904	12,934,143
1905	26,551,624
1906	15,204,254
1907	10,671,378
1908	13,332,540

Following is a statement of the gross imports of Class I wools from all countries at all ports of the United States, for the fiscal years 1904-1908, inclusive:

	Pounds
1904	45,575,993
1905	109,888,258
1906	86,810,307
1907	82,982,116
1908	45,798,303

Following is a statement of the total wool production of the United States, as estimated by the National Association of Wool Manufacturers for the five years 1904-1908, inclusive:

	Pounds
1904	291,783,032
1905	295,488,438
1906	298,715,130
1907	298,294,750
1908	311,138,321

It is manifest, therefore, that the importation of Class II wools, *exclusive* of alpaca, Angora goat, camel's hair, etc., averaging for the five years 13,126,741 pounds a year, though valuable to a part of our worsted manufacture, represents a relatively small factor in the total wool consumption of the worsted mills of the United States, or of the wool manufacturing industry as a whole. It is, therefore, exceedingly unjust to urge that the importation at a single duty of this relatively small amount of combing wools gives the worsted manufacturers an undue advantage over the woolen manufacturers of this country. As a matter of fact, the total amount of these combing wools imported represents less than four per cent of the total consumption of the American wool manufacturing industry.

We wish to submit with these statements, an important statement as to an ad valorem duty on wool prepared by Mr. Charles H. Harding of the Erben-Harding Company of Philadelphia, former president and now vice-president of the National Association of Wool Manufacturers, and a letter from Mr. John G. Wright, a Boston dealer of long and extended

experience, a conspicuous authority in the wool importing trade.

Very truly yours,

WILLIAM WHITMAN,
Boston,

President and Chairman Ex Officio,

FREDERIC S. CLARK,
North Billerica, Mass.,

CHARLES H. HARDING,
Philadelphia, Pa.,

LOUIS B. GOODALL,
Sanford, Me.,

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J. F. MAYNARD,
Utica, N.Y.,

THOMAS OAKES,
Bloomfield, N.J.,

*Tariff Committee National Association
of Wool Manufacturers,*

WINTHROP L. MARVIN,
Secretary.

ERBEN-HARDING COMPANY,

PHILADELPHIA, PA.

MR. WILLIAM WHITMAN, *President National Association of
Wool Manufacturers, Boston, Mass.*

DEAR SIR: The contention that any duty laid upon wool imported into this country should be "ad valorem" in form,

to be just, is not new; the experiment had long trial and was abandoned. In investigating the subject here it is acknowledged without reserve that this *form* of duty is ideal; the question is whether it is practical as a matter of justice to all concerned.

In the Acts of 1824, 1825, the duty on wool was ad valorem; in those of 1828, 1830, 1832 and 1841, the duty was 4 cents per pound with an ad valorem added; in the Act of 1842 it was 3 cents per pound plus 30%; in those of 1846 and 1857 the duty was entirely ad valorem; the Acts of 1861 and 1863 wools valued at less than 18 cents per pound, as also wool "on sheepskins," paid an ad valorem duty, with other wools paying specific duty; the Acts of 1864, 1865 and 1866 raised the duty per pound and on wools "valued at 24 cents per pound and over" added 10%; the tariff act of 1883 took off this 10%, leaving the duty on wool strictly specific, to which form the Act of 1890 adhered except as to wools "of the third class" (carpet wools), which were subject to an ad valorem duty. The Act of 1894 made wool free of duty, and the Act of 1897 (the present law) returned to the specific form of duty.

The addition of 10% in the Acts of 1864, 1865 and 1866 was for a reason then well understood, and was an "expedient," not being in any sense the expression of an opinion that Congress had found out that the specific form of duty was a mistake. The treatment of wools "of the third class" in the Act of 1890 was an effort to meet conditions in the carpet trade that are not met with in other branches of the woollen industry. This almost continuous use of specific duties on wool in the tariff laws made in 1861 and since appears to indicate that sound reasons were evident to the several Committees of Ways and Means for such a course; and this form of procedure ought not to be reversed or abandoned without full inquiry and justification.

So now while the ideal nature of an ad valorem duty is not here called in question this inquiry is as to whether it is possible to fairly assess and fully collect such a duty on wool; and this inquiry closely concerns the wool grower in the United States, the manufacturer of woollens, and the Government. In the course of the discussion we may see what hardship, if any, is inflicted upon the manufacturer by what is claimed to be

the severe incidence of the present or any other specific duty upon the wools of very heavy shrinkage.

The greatest illumination of this last question may be found in the course of affairs under the Wilson Tariff Law, when there was no duty on wool. If ever large importations were likely, of the very heavy wools from some parts of Australia and South America it was then, as the situation was not affected by any question of duty. And it would be of the greatest interest to know from those who now ask relief by way of an "ad valorem" duty on fine wool, what amount they imported during that favorable period. From our own experience it may be said that offers of that kind of wool were not made to us at all during that time here; and although we have been buyers of and importers of fine foreign wools to a considerable extent for about 30 years, and in the usual course of my attendance at the London wool sales in many of those years for a month at a time, in daily contact with such wools, making personal examination of them, it long ago appeared that there was usually no chance for profit in importing wools shrinking over 65%. When wool became free our agents in Melbourne sent us among other wools, about 200 bales of heavy "Adelaides," but the experiment was not satisfactory and the heavy wools bought by our agents in Australia in the next season, 1898-9, were stopped by us in London and sold there. With that, our dealings in those wools came to an end.

And it may be stated as a general conclusion, that under any form of duty, or without any duty, the American demand is likely, from causes quite independent of the question of duty, to remain centered upon the best bred foreign wools of the lightest shrinkage which have long been known in foreign markets by the significant name of "wools suitable for America."

It now remains to consider the matter of rightly assessing and fully collecting an ad valorem duty on wools of other than "the third class." The fair assessment will depend on the possibility of fixing truly the invoice values. Were the article in its greasy condition (which is practically under the law the only allowable condition for importation) a thing whose real value is evident, or upon which so-called experts

might readily and surely agree, the prima-facie case might be promising. But this is not the fact, and those familiar, from experience, with the article will agree that varying conditions of the market in comparatively short periods, coupled with constant uncertainty as to the amount of clean wool to be realized from a given amount of greasy wool, make it absolutely impossible to say on the arrival of a shipment of wool here, what it cost at its point of origin, within a margin that is so safe as not to leave an important profit in successful evasion of an honest declaration of the facts.

To this statement the answer is sometimes given that "wools are generally sold at auction abroad, and values are thus matter of common notoriety and so may be exactly determined by experts." The last of these statements we have just met; let us examine the rest.

It is not true outside of Australia, London, Liverpool and Antwerp that wools are commonly sold at auction to any extent. Elsewhere and otherwise the sales are matters of private bargain, as in this country, and this puts a great part of the possible importation outside the certain knowledge of the officers of our government. And as for the wools sold at the auctions held at the places named above, it is well known that the great clips of Australia are divided, not only between the sales in London and those in the home markets, Brisbane, or Adelaide, or Sydney, or Port Phillip, or Geelong, but are divided among *successive sales in the same market*.

Thus parts of the "Canowie" clip were sold in Adelaide as follows:

November 2d, 1908.	November 16th, 1908.
47 Bales AA Combing H 11d.	21 Bales AA Comb. Ewes 12½d.
44 Bales 1st Combing W H 10d.	16 Bales AA Comb. Ewes 12¼d.
44 Bales 1st Combing E H 9¾d.	13 Bales 1st Comb. Ewes 11½d.
	34 Bales 1st Comb. Ewes 11¼d.
	27 Bales 1st Comb. Ewes 10¼d.

Last year wool of the same description from the same clip brought in London in January, 1908, 13d. to 11½d. and in March 10d. to 9½d.

A year ago our company bought some of the "Plains" clip at different dates, in Australia and in London. From these instances and from the specimen leaves from a London cata-

logue attached hereto (A) it will be seen how impossible is the problem of fixing values for different parcels from the same clip sold on different days or even on the same day. (B) Shows our purchase of three parcels of the clip "TILL TILL" at a sale in London on Dec. 5th, 1907—Lot 161 @ 13½d., Lot 162 @ 13d., and Lot 163 @ 12½d., more of the clip being sold on other days at varying prices. In any of these cases all of the lots of same mark might be invoiced together at the lowest price paid for any of them, or even at a little less, without risk of detection; and at a duty of 60% or 50% or 40% the evasion of the honest return would make a notable addition to the profit to be made in the transaction. But this discussion has been on the supposition that wools would be invoiced on the marks of the stations where they were grown, yet there is no possible way of securing such a safeguard. Wool may be repacked, may be mixed, may be bought "unskirted" and then be skirted and packed as "casings" under any brand, real or fanciful, having the value materially enhanced thereby, and sent from any port in the world to any port in the United States. The task of the appraisers, with all the help they might derive from all the catalogues of all the sales and from all the experts within reach, would be impossible.

(C) Attached is a catalogue of one day's sales of a series in London, lasting from 20 to 25 days. It contains 887 lots, for over 13,000 bales, and there are six of these series every year. Add to this the catalogues of sales held in Brisbane, Sydney, Melbourne, Geelong and in New Zealand at weekly intervals from the beginning of their spring (October) until some time in February, and even with a certainty that the original station marks would be preserved, the condition would be hopeless for the appraiser; but the conditions would invite every effort to hide the identity of wools, by the material profit involved in the evasion of the duties, to what might seem to the uninformed, to only a partial extent. As for the experts, the Government will never pay enough to secure the services of the small number of experts, who are in great demand by the mills, for the necessary technical knowledge is only gained by years of experience, following most careful preparation.

The possibility of fairly assessing and really collecting an ad valorem is thus seen to be very remote, and it is equally certain that changing to the form of ad valorem duties on wools of the first and second classes would open an inviting field to be profitably exploited by dishonest men, or by that class, otherwise fairly honest, who think that "beating the customs" is not criminal.

The grower of domestic wool will probably give attention to any proposition that removes from his business the safe and certain protection it now enjoys.

All the wool grown in this country must continue, under normal conditions, to be used here; and what more is needed for the machinery here must continue to be imported, so that the duty on wool is a sure producer of revenue, and certain while it is in specific form. And in that form there is no possible advantage to the dishonest, nor risk that the business may slip away from the honest merchant or manufacturer to those willing to practise fraud on the Government.

C. H. HARDING,
Vice-Pres. and Treas.
THE ERBEN HARDING CO.

512 Arcade Building,
Philadelphia, Jan. 5th, 1909.

620 ATLANTIC AVENUE,
BOSTON, January 25, 1909.

MR. WILLIAM WHITMAN, *Boston, Mass.*

MY DEAR MR. WHITMAN: Replying to your letter of the 23d inst. I have given the question of ad valorem on wool much thought since you talked with me about it. I find it very difficult to formulate a statement which would carry conviction.

Every lot of wool varies more or less in shrinkage and under an ad valorem system, each lot of wool would vary somewhat in the duty imposed under an ad valorem system, depending upon the money value of the invoice. Clothing wools are worth less than combing wools per scoured pound in Europe as well as in this country. There is usually a difference in value of at least 10 cents per scoured pound. This

of course, would allow such wools to come in at a less rate of duty than combing wools which cost more. It is impossible to make any general statement that would cover the case. Wool varies so much in price and condition and many other things which give it its value that no hard and fast rule would apply.

It appears to me that the most convincing argument to any manufacturer of wool in this country who thinks that an ad valorem duty would be beneficial to his interest would be to start from the other end. It is not to be supposed that Congress would change to an ad valorem basis for wool and permit specific duties to remain upon wools in addition to an ad valorem.

If these woolen manufacturers, who think they would be benefited by an ad valorem duty allowing them to purchase more freely of foreign grown wools, would take into account what they would lose in compensatory duties, I think they would soon discover that a specific duty on the raw material is the only basis for a claim for a specific duty on the manufactured article.

The American manufacturer is the only customer for American grown wools and prospective customer for wools that are imported into this country. If the American manufacturers are prosperous the wool dealer or wool importer may do a profitable business, but, if from a faulty construction of tariffs the American manufacturing business is unprofitable then the wool dealer and wool importer must eventually in some measure share the loss.

As an importer of wool I can readily see that my business could be much enlarged under an ad valorem tariff on wool, but if the manufacturing end suffers from a re-adjustment on an ad valorem basis as it surely would, the increased facility for importing would not be beneficial, and it seems to me the same argument would apply to the manufacturer who now thinks he could import wools for his own use direct under an ad valorem system of duties.

I enclose two circular letters from Windeler & Company of December 12th and 23d, 1908. From these you can perhaps get as clear an example as I can give you as to how an ad

valorem duty of 50% would operate on two classes of wool which are most desirable for use in this country.

Example 1.

Port Phillip 64's

14d. shrinking 50%	28c.
Duty	11c.
Freight and Expenses.....	1½c.
	<hr/>
	40½c. = 81c. clean, scd., del'd here.

Example 2.

Super Cape Wool

11d. shrinking 50%	22c.
Duty	11c.
Freight and Expenses.....	1½c.
	<hr/>
	34½c. = 69c. clean, scd., del'd here.

Example 3.

Super Natal Shrink, 57%

10d.	20c.
Duty	11c.
Freight and Expenses.....	1½c.
	<hr/>
	32½c. = 75c. clean, scd., del'd here

Taking "Example 1" on an ad valorem basis of 50%.

14d.	28c.
Duty 50%	14c.
Freight and Expenses.....	1½c.
	<hr/>
	43½c. = 87c. clean, scd., del'd.

Example 2.

11d.	22c.
Duty 50%	11c.
Freight and Expenses.....	1½c.
	<hr/>
	34½c. = 69c. clean, scd., del'd.

Example 3.

10d.	20c.
Duty 50%	10c.
Freight and Expenses.....	1½c.
	<hr/>
	31½c. = 73c. clean, scd., del'd.

This is probably the intention of the men who are advocating ad valorem duties, i. e., that the most valuable and desirable wools like Australian combing should pay a higher rate of duty than the inferior and less desirable wools; such as can be used only for clothing purposes should pay less, and they may be able to demonstrate to their own satisfaction as shown in the examples that they are correct, but they apparently fail altogether to recognize the danger of disturbing the compensatory duty on their goods, and the skilful manufacturers of Batley and Dewsbury would probably give them a lesson that would not be agreeable in the art of making "cheap" goods if they were allowed to send such goods into this country on an ad valorem basis.

In summing up the whole matter in my mind it seems to me that the small coterie of wool manufacturers, who are trying to make a stir in behalf of ad valorem duties on wool, do not represent any considerable percentage of the woolen manufacturers of this country, and I should suppose that it would be very desirable to get a consensus of opinion from all of those manufacturers of this country who use the carding process in making their goods by asking them the direct question, "Are you in favor of maintaining the present specific duties on wool with the compensatory duty on goods as established under the Dingley Bill or are you in favor of an ad valorem duty on wool and a compensatory ad valorem duty on goods?" I believe you would get answers from 90% of the woolen manufacturers of this country in favor of maintaining the present basis of adjustment and this would be a proper answer to the statement of these gentlemen who are going before Committees of Congress that are supposedly desirous of getting the opinions of the *majority* of people engaged in the business under discussion.

Very truly yours,

JOHN G. WRIGHT.

WINDELER & Co.

LONDON, 23d December, 1908,
20 Basinghall Street.MR. J. G. WRIGHT, *Boston*.

We have sent you per post to-day samples of wools as per following particulars:

Sample No.	Mark.	Bales.	Description.	Price.	Remark.
2		5	G'se Super Cape Mount	11	50 ⁰⁰ / ₁₀₀ Est. Yield
3		24	" " " "	11	50 ⁰⁰ / ₁₀₀ " "
4	Type 1	24	" " Comb. Natal	91 ² / ₂ , 10	45 ⁰⁰ / ₁₀₀ " "
5	" 2	24	" " " "	101 ² / ₂	48 ⁰⁰ / ₁₀₀ " "
6	" 3	24	" " " "	91 ² / ₂ , 10	43 ⁰⁰ / ₁₀₀ " "
7	" 4	24	" " " "	9, 91 ² / ₂	43 ⁰⁰ / ₁₀₀ " "

Delivered London.

P. S. Terms.

1% to us.

W. & Co.

Per C. A. S.

WINDELER & Co.

20 BASINGHALL STREET, E. C.

LONDON, 12th Dec., 1908.

MR. JOHN G. WRIGHT:

We have pleasure in handing you below our estimate of the clean cost, duty paid, landed in U. S. A., of superior Australasian Wools based on prices realized at the London Colonial Wool Sales.

Quality.	Grease Price.	Cost Clean.	Quality.	Grease Price.	Cost Clean.
Port Phillip 70s	15d.	84c.	Port Phillip 56s	None offered.	
(Western) 64s	14	82 ³ / ₄ c.	" " 50s		
(Melbourne) few Western offered 60s	12 ¹ / ₂	80c.	" " 46s		
Sydney 70s	14	84c.	New Zealand 50/6s	12 ¹ / ₂	63c.
" 64s	13 ¹ / ₂	82c.	" " 46s	11 ¹ / ₄	56, 57c.
Queensland 64s	12 ¹ / ₂ , 13	79c.	" " 44s	10 ¹ / ₂ , 11	52c.
Adelaide 60s	12	78c.	" " 40s	9 ¹ / ₂	46c.
Tasmanian 70s	None offered.		" " 36s	8, 8 ¹ / ₂	42c.

REMARKS.

The series which has just closed was marked by good all round competition to the end, all sections seeming disposed to operate, though the Continent and Germany especially were the largest buyers. Prices for the better classes, both merino and crossbreds, were well maintained, but towards the finish faulty merinos and low rough crossbreds gave way about five per cent.

A fair number of American buyers were here and with orders in the market we estimate that about 12,000 bales were taken for the United States, some figures rather exceeding this quantity. The wools bought in these sales are mainly merinos, the selection of crossbreds throughout being very different.

W. & Co.

PROFITS IN THE TEXTILE MANUFACTURE.

LETTER OF JOHN BRUCE McPHERSON, SECRETARY, TRANSMITTING ESTIMATE BY GEN. WILLIAM F. DRAPER OF PROFITS OF WOOLEN MANUFACTURERS FOR A TEN-YEAR PERIOD.

Boston, Mass., December 11, 1908.

HON. SERENO E. PAYNE, *Chairman Committee on Ways and Means, Washington, D.C.*

DEAR SIR: When Mr. William Whitman appeared before your committee on December 2, to present the case of the wool manufacturers of the country in the pending tariff revision, he referred to an investigation made some years ago by Gen. William F. Draper, which shows that the profits of Massachusetts manufacturing corporations for a ten-year period averaged only about 4.86 per cent on the par value of the stock.

Understanding that Mr. Winthrop L. Marvin, Acting Secretary of the Association, promised to send you the list of the corporations quoted by Mr. Whitman, I take pleasure in inclosing for your examination the list as compiled by General Draper and published in the "Social Economist" for September, 1892.

Trusting that the table may be of some value to you in your consideration of this intricate question, I am,

Respectfully yours,

JOHN BRUCE McPHERSON,

Secretary National Association of Wool Manufacturers.

GENERAL DRAPER'S PAPER.

It has seemed to me that the net profits of manufacturing for a given time, at least to the shareholders in manufacturing companies, could be arrived at with mathematical accuracy. If, on the first of January of any given year, a man bought a given manufacturing stock at the market price, and held it for ten years, received all the dividends, stock or otherwise, paid all the assessments, and at the end of the ten years sold it at the market price, the calculation of the percentage made on the capital that he invested would not be a difficult one. By adding together all the corporations whose statistics are attainable for

an equal length of time, it would seem to me to give a fair average of the profits made in manufacturing for that length of time. Improvements or depreciations in plant are elements which enter into the selling price of the various stocks, and the selling price of stocks is a better estimate of their value than any mere appraisal of the property upon which the stocks are based.

I have made some investigations as to the dividends paid by manufacturing stocks in the State of Massachusetts for the past ten years, with results which will doubtless surprise many. Mr. Joseph G. Martin, of Boston, has issued annually a statement of fluctuations in bank, insurance, railroad, manufacturing, and other stocks and bonds, together with the dividends paid by each. In his manufacturing lists he has also included the Fall River manufacturing companies. From those lists I have taken every Massachusetts company mentioned in 1882 for which figures are given for ten years. The list follows, and comprises 65 companies in various kinds of business, including the cotton and woolen manufacture, bleacheries, belting, and machinery. Of these 65 companies, 41 mentioned immediately below have maintained the same capital during the ten years from 1882 to 1892 :

Appleton.	Lancaster.	Slade.
Boston.	Lowell.	Troy Cotton Mill.
Boston Duck.	Lyman.	Thorndike.
Dwight.	Merrimack.	Crescent.
Hamilton Cotton.	Naumkeag.	Granite Mills.
Lawrence.	Pacific.	Laurel Lake.
Lowell Machine.	Tremont and Suffolk.	Merchants.
Massachusetts.	Chace Mills.	Narragansett.
Middlesex.	Fall River Manufactory.	Richard Borden.
Otis.	King Philip.	Shove.
Boott.	Mechanics.	Tecumseh.
Boston Belting.	Metacomet.	Union Cotton.
Chicopee.	Pocasset.	Weetamoe Mills.
Flint Mill.	Robeson.	

The 5 following have stopped during the ten years :

Annawan Mills.	Montaup.	Sandwich Glass Com-
Fall River Merino.	Quequechan.	pany.

The 7 following have had their capital impaired and replaced during the ten years :

Atlantic Mills.	Lowell Bleachery.	Darol Mills.
Everett Mills.	Washington Mills.	Sagamore Mills.
Hamilton Woolen Mills.		

The 12 named below have increased their capital during the ten years :

Arlington Mills.	Barnaby Manufacturing	Osborn Mills.
Border City Manufac-	Company.	Conanicut Mills.
turing Company.	Fall River Bleachery.	Globe Yarn Mills.
Wampanoag Mills.	Stafford Mills.	Crystal Spring Bleach
American Linen Com-	Barnard Manufacturing	and Dye Company.
pany.	Company.	

In making my calculations I have divided the companies into two groups : First, the 41 that have gone through the ten years with unchanged capital ; and, second, the 24 that have been unfortunate or put in additional capital during the same time. I have also made a calculation, by combining these two sets of figures, to show what amount of interest on investment a man would have made who had bought the stock of all these companies on the first of January, 1882, and sold them on the first of January, 1892, meantime paying in all the money that was paid in, and receiving all the dividends that were declared. The results for the 41 companies with unchanged capital appear on the following page.

I find the total dividends, \$24,420,913 for ten years (which would be an average dividend of \$2,442,091.30 per year), to be 6.58 per cent per annum of the par value of the stocks of the above companies. I also find the above annual dividend to be 4.88 per cent of the average selling price for 1882 and 1892, which is \$49,993,616. I also find that, taking the price at which the stocks could be bought January 1, 1882, which was \$55,496,350, and the price at which the stocks could be sold January 1, 1892, which was \$44,490,883, there is a loss in the selling value during the ten years of \$11,005,467. Deducting this from the total amount of dividends, \$24,420,913, we have left \$13,415,446, as the net income for the ten years from 1882 to 1892, which would figure 2.68 per cent as the net income per year.

LIST OF COMPANIES WHOSE CAPITAL HAS NOT CHANGED DURING THE TEN YEARS FROM 1882 TO 1892.

	Par Value.	Market Value Jan. 1, 1882.	Market Value Jan. 1, 1892.	Ten Years' Dividends.
Appleton	\$600,000	\$717,000	\$345,000	\$138,000
Boott	1,200,000	2,580,000	1,620,000	924,000
Boston	800,000	1,060,000	848,000	520,000
Boston Belting	700,000	1,225,000	1,422,750	749,000
Boston Duck	350,000	525,000	562,500	325,500
Chicopee	1,000,000	1,900,000	900,000	600,000
Dwight	1,200,000	1,920,000	1,800,000	1,068,000
Flint Mill	580,000	406,000	609,000	342,200
Hamilton Cotton	1,800,000	2,196,000	1,800,000	648,000
Lancaster	1,200,000	2,700,000	1,866,000	1,020,000
Lawrence	1,500,000	2,700,000	2,250,000	1,365,000
Lowell	2,000,000	2,101,775	1,833,333	803,023
Lowell Machine	900,000	2,277,000	1,305,000	810,000
Lyman	1,470,000	1,719,900	970,200	558,600
Massachusetts	1,800,000	2,520,000	1,890,000	1,026,000
Merrimack	2,500,000	4,600,000	2,625,000	1,600,000
Middlesex	750,000	1,875,000	975,000	765,000
Naumkeag	1,500,000	1,890,000	1,590,000	802,500
Otis	800,000	1,040,000	1,480,000	800,000
Pacific	2,500,000	4,750,000	4,187,500	2,125,000
Tremont and Suffolk	1,200,000	2,103,000	1,464,000	738,000
Thorndike	450,000	495,000	540,000	342,000
Chace Mills	500,000	535,000	500,000	285,000
Crescent Mills	500,000	400,000	175,000	167,500
Fall River Manufac- tory	180,000	315,000	216,000	59,400
Granite Mills	400,000	1,310,800	960,000	612,000
King Philip	1,000,000	1,200,000	1,150,000	490,000
Laurel Lake	400,000	376,000	448,000	216,000
Mechanics	750,000	862,500	637,500	397,500
Merchants	800,000	1,000,000	960,000	480,000
Metacomet	288,000	288,000	201,600	44,640
Narragansett	400,000	400,000	388,000	230,000
Pocasset	800,000	480,000	1,088,000	264,000
Richard Borden	800,000	680,000	780,000	368,000
Robeson	260,000	234,000	221,000	105,300
Shove	550,000	577,500	632,500	294,250
Slade	550,000	495,000	330,000	178,750
Tecumseh	500,000	660,000	512,500	322,500
Troy Cotton Mill	300,000	540,000	585,000	300,000
Union Cotton	750,000	1,374,375	1,575,000	1,357,500
Weetamoe	550,000	467,500	247,500	178,750
Total	\$37,078,000	\$55,496,350	\$44,490,883	\$24,420,913

We will next consider the figures of the 24 companies above named whose capital was changed or whose enterprises were stopped during the ten years:

Their total par value January 1, 1882, was.....	\$11,800,000
Their total par value January 1, 1892, was	14,875,000
Or an average par value for the time of	13,337,500
The amount of dividends paid on these stocks for ten years was,	6,718,250
The amount paid in was.....	6,135,000
Leaving an excess of dividends over capital paid in of	584,250

for the ten years, or \$58,425 per annum, or less than half of 1 per cent on the capital stock, and still less than that on the average selling price. Ascertaining the loss or difference between the selling price of these companies January 1, 1882, \$14,828,375, and the selling price January 1, 1892, \$14,111,000, we find it to be \$717,375. Deduct from that the margin of dividends above payments, \$584,250, and it will appear that these 24 companies lost \$133,125, besides interest on their capital for ten years.

Now, combining the two sets of figures we find:

That the 65 companies had an average capital for the ten years of	\$50,415,500
That the selling price of the stocks January 1, 1882, was.....	70,324,725
That the selling price January 1, 1892, was	58,601,883
That the total dividends paid amounted to.....	31,140,163
That the amount of cash paid in was.....	6,135,000

Deducting the cash paid in from the dividends leaves \$25,005,163 net cash received by stockholders, or an average of \$2,500,516 per annum. This is equal to 4.86 per cent on the capital stock. The average selling price ascertained as before was \$64,463,304. On this sum the average dividend was 3.87 per cent. The loss in value of all the stock for the ten years was \$11,722,842. Deducting this from the dividend leaves \$13,282,321, or 2.06 per cent on the average value of the capital invested.

The change in value of the manufacturing stocks may, of course, be said to depend in part upon the years selected. If the selection of one year was during a particularly prosperous time, and the selection of the other year was during a panic, differences would appear which would not be normal. So far as general business is concerned, however, the year 1892 is reckoned as good as the year 1882, and the comparison of those two years would in that view seem to be a fair one. Such of these stocks

as appear in Martin's Report for 1881 average even higher than they did in 1882, and in 1880 somewhat lower, but not nearly as low as in later years. On the other hand, there was a continuous and large decrease of value in these stocks, amounting to substantially 20 per cent, between 1882 and 1886, and a moderate increase, amounting to about 5 per cent, on the remaining value since that time.

It is evident from these figures of selling price at different periods that these corporations, as a whole, have been paying out in dividends more money than they have earned during the past ten years, proper depreciation being taken into account. As the average dividend paid, saying nothing about loss of selling value, was 3.87 per cent, it looks as though either these great corporations have been particularly unfortunate during the last ten years, or that the laborer has had more, rather than less, than his share of production, so far as these industries are concerned.

I have taken the average of industries, successful and otherwise, because with material at standard prices and labor at standard rates the average results should be considered rather than those exceptionally favorable or unfavorable. If one concern succeeds better than another in the same business, that difference is due to and earned by the management of that concern. If in the same town, in the same business, one company makes continuously 10 per cent, and another firm 5, the extra 5 per cent is due to some qualities in the direction, and not due to the laborers, who are continually changed while the same results continue.

The fact is that labor in America, by its increasing intelligence and organization, has to-day, however it may have been in the past, secured its full share of production if not more than its share.

THE PROFITS IN THE WOOL MANUFACTURE.

LETTER TO THE COMMITTEE ON WAYS AND MEANS BY THE
NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,
SUBMITTED FEBRUARY 10, 1909.

BOSTON, MASS., February 9, 1909.

HON. SERENO E. PAYNE, *Chairman of the Committee on Ways
and Means, House of Representatives, Washington, D.C.*

DEAR SIR: It is an assertion as old as the protective policy itself that the tariff on wool and woolens enables the manufacturers to heap up inordinate profits from their industry, and that their business is and always has been one of the most lucrative in the world. In our address of December 2, 1908, before your committee, we took the ground that the wool manufacture as a rule had yielded only a moderate rate of profit, that it had not proved especially attractive to investors, that stocks of corporations engaged in the industry were not eagerly sought and were rather difficult to dispose of, that dividends were relatively small, and that exceptional cases of large gains had been due to accretions of capital during a long series of years remaining uncanceled — that is, to undercapitalization or to extraordinary skill and good fortune in management. We cited the fact, brought out upon a careful inquiry by General William F. Draper, that 65 representative Massachusetts manufacturing corporations, many of them textile concerns, had made in a decade an actual profit on the par value of their stock of a little less than 5 per cent.

We submit herewith an elaborate analysis prepared by Mr. Frank A. Ruggles, statistician, showing the average annual net earnings of a large number of New England textile corporations, most of them engaged in the manufacture of cotton, but seven of them engaged either wholly or partly in the manufacture of wool. This analysis covers a twenty-year period, and we believe that it is in many ways the fullest statement of the kind that has thus far been prepared. It will be observed that 38 cotton manufacturing companies included in this analysis show an average net return of 6.38 per cent on their average capital stock, and that seven companies engaged in wool or wool and cotton

manufacturing show an average net return of 7.08 per cent on their average capital stock. Considering the peculiar hazards of the wool manufacturing industry because of the capricious changes of fashion, requiring frequent alterations in machinery as well as in the products of the mills, we think it must be agreed that these are no more than reasonable rates of profit, no more than fair compensation to the manufacturers for the risks they run, and indeed, no greater profits than are derived from other manufacturing industries or from important business undertakings in other sections of the country.

BOSTON, MASS., December 19, 1908.

MR. WILLIAM WHITMAN, *President National Association of Wool Manufacturers, Boston, Mass.*

DEAR SIR: Herewith I hand you condensed and detailed statistics covering the financial operations and stock market fluctuations for the past twenty years of forty-four companies and for the past ten years of one company, the list comprising thirty-eight engaged in cotton, three engaged in wool, and four engaged in wool and cotton together.

This list of companies includes all of those whose stocks have been bought and sold with reasonable frequency in the Boston market over a period of twenty years.

Accompanying this letter are three compilations marked A, B and C and forty-five separate sheets covering in detail the record of each company by single years, giving capitalization, par value of stock, dividends paid and record of public sales of stock for each year, the high and low quotations being taken.

Common stock which has been issued as a bonus with preferred stock is omitted from these compilations.

Schedule A covers the operations of all the companies for the period from January 1, 1889, to December 10, 1908, and gives the average capitalization for the period, the average annual net return after deducting losses in capital from dividends paid, and the percentage of net return on the average capital stock.

From Schedule A we derive the following results:

Forty-five companies with an average capitalization of \$77,156,615 have shown an average net return for twenty years

of \$5,148,775 per annum, or 6.67 per cent on the average capital stock.

Five of these companies, three engaged in cotton, one in wool, and one in wool and cotton together, with an average capitalization of \$31,662,100, have shown an average net return for the twenty years of \$2,896,742 per annum, or 9.10 per cent on the average capital stock.

Excluding these five companies, the remaining forty companies with an average capitalization of \$45,494,515 have shown an average net return for the twenty years of \$2,252,033 per annum, or 4.95 per cent on the average capital stock.

Thirty-eight cotton companies with an average capitalization of \$45,209,247 have shown an average net return for twenty years of \$2,886,353 per annum, or 6.38 per cent on the average capital stock.

Seven companies, all engaged in wool or wool and cotton together, with an average capitalization of \$31,947,368 have shown an average net return for twenty years of \$2,262,422 per annum, or 7.08 per cent on the average capital stock.

Schedule B supplements Schedule A by giving the operations of all the companies in two decades separately, the first from 1889 to 1898 and the second from 1899 to date.

From Schedule B we derive the following results :

Forty-four companies with an average capitalization of \$53,022,875 during the decade 1889-1898 showed an average net return of \$3,243,573 per annum, or 6.12 per cent on the average capital stock.

Thirty-eight companies engaged in cotton, with an average capitalization of \$44,548,000 during the decade 1889-1898 showed an average net return of \$2,613,330 per annum, or 5.87 per cent on the average capital stock.

Six companies, all engaged in wool or wool and cotton together, with an average capitalization of \$8,474,875 during the decade 1889-1898, showed an average net return of \$630,243 per annum, or 7.44 per cent on the average capital stock.

Forty-five companies with an average capitalization of \$78,883,830 during the decade 1899-1908 have shown an average net return of \$5,341,485 per annum, or 6.77 per cent on the average capital stock.

Thirty-eight companies engaged in cotton, with an average capitalization of \$45,810,630 during the decade 1899-1908 have shown an average net return of \$3,068,435 per annum, or 6.70 per cent on the average capital stock.

Seven companies, all engaged in wool or wool and cotton together, with an average capitalization of \$33,073,200, during the decade 1899-1908 have shown an average net return of \$2,273,050 per annum, or 6.87 per cent on the average capital stock.

Schedule C shows the market selling value of the stocks of all the companies on January 1, 1889, July 1, 1899, and December 10, 1908, based on quotations recorded at public auction sale in Boston, the offerings in practically every case consisting of a few shares. The schedule also includes additional capital invested during the period and the total dividends paid.

From Schedule C we derive the following results :

The market value of the stocks of forty-four companies on January 1, 1889, was \$62,798,850 and on July 1, 1899, it was \$61,389,950, showing a depreciation of \$1,408,900. There was invested in these companies during that period \$2,270,000 of additional capital, so that the total depreciation for the ten years was \$3,678,900.

The market value of the stocks of forty-two companies on July 1, 1899, was \$67,775,450 and on December 10, 1908, it was \$117,683,200, showing an appreciation of \$49,907,750. There was invested in these companies during that period \$35,940,000 of additional capital, so that the net appreciation was \$13,967,750.

Excluding from this last compilation the stocks of four companies, two engaged in wool and cotton together and two engaged in cotton, the market value of the stock of the remaining thirty-eight companies on July 1, 1899, was \$46,996,650, and on December 10, 1908, it was \$76,625,000, showing an appreciation of \$29,628,350. There was invested in these companies during that period \$29,820,000 of additional capital, so that the comparison actually shows a depreciation for the period of \$191,650.

The market value of the stocks of forty-two companies on January 1, 1889, was \$58,306,350, and on December 10, 1908, it was \$84,433,200, showing an appreciation of \$26,126,850. There was invested in these companies during that period

\$13,210,000 of additional capital, so that the net appreciation has been \$12,916,850, an average of \$645,840 per annum, or about $1\frac{1}{8}$ per cent per annum appreciation on the selling price January 1, 1889.

Excluding from this last compilation the stocks of five companies, three engaged in cotton and two in wool and cotton together, the remaining thirty-seven companies had a market valuation of \$41,392,850 on January 1, 1889, and of \$43,375,000 on December 10, 1908, showing an appreciation for the period of \$1,982,150. There was invested in these companies during that period \$6,190,000 of additional capital, so that there has been a net depreciation in the market value of these thirty-seven companies during the past twenty years of \$4,207,850.

Respectfully submitted,

FRANK A. RUGGLES,
Statistician.

A.

1889-1908.

Average capitalization, average annual net return after deducting losses from dividends paid and percentage of return on average capital.

Company.	Product.	Capital.	Net Return.	Per Cent.
Ætna	Wool.	\$268,750	\$14,250	5.3
Am. Woollen	Wool.	22,375,000	1,566,250	7.0
Amory	Cotton.	1,212,647	90,530	7.46
Amoskeag ²	Cotton.	4,143,000	477,880	11.53
Androscoggin	Cotton.	1,000,000	86,000	8.6
Appleton	Cotton.	517,500 ³	825	. .
Arlington	Wool and cotton.	2,762,438	243,247	8.8
Atlantic	Cotton.	1,000,000	33,000	3.3
Bates	Cotton.	1,160,000	126,000	10.86
Boott	Cotton.	1,140,000 ³	11,376	. .
Boston Duck	Cotton.	350,000	45,400	13.0
Cabot	Cotton.	724,000	20,220	2.8
Chicopee	Cotton.	890,625 ³	10,944	. .
Cocheco	Cotton.	1,500,000	15,000	1.0
Continental	Cotton.	1,500,000	7,500	.5
Dwight	Cotton.	1,200,000	142,800	11.9
Edwards	Cotton.	1,021,250	72,500	7.1
Everett	Cotton.	700,000	34,350	4.9
Fisher	Cotton.	472,500	27,100	5.74
Franklin	Cotton.	862,500	24,500	2.84
Great Falls	Cotton.	1,500,000	149,250	9.95
Hamilton	Cotton.	1,800,000	81,900	4.55
Hamilton	Wool and cotton.	1,000,000	30,250	3.02
Hill	Cotton.	980,000	31,360	3.2
Jackson	Cotton.	600,000	36,600	6.1
Laconia	(Merged with Pepperell in 1899)			
Lancaster	Cotton.	1,140,000	7,500	.66
Lawrence	Cotton.	1,218,750	75,000	6.15
Lockwood	Cotton.	1,800,000	92,700	5.15
Lowell Bleachery	Cotton.	335,000	1,700	.5
Lyman	Cotton.	1,470,000	56,595	3.85
Manchester	Wool and cotton.	2,066,180	15,500	.75
Massachusetts	Cotton.	1,800,000	101,700	5.65
Merrimack	Cotton.	2,930,000	133,813	4.57
Middlesex	Wool.	750,000	30,375	4.0
Nashua	Cotton.	1,000,000	79,250	7.92
Naumkeag	Cotton.	1,500,000	56,250	3.75
Newmarket	Cotton.	745,000 ³	23,800	. .
Otis	Cotton.	800,000	79,200	9.9
Pacific	Wool and cotton.	2,725,000	362,750	13.3
Pepperell ¹	Cotton.	2,419,100	489,862	20.2
Salmon Falls	Cotton.	600,000	18,300	3.05
Thorndike	Cotton.	529,875	47,138	8.9
Theront & Suffolk	Cotton.	1,672,500	121,600	7.27
York	Cotton.	975,000	70,800	7.26
Grand total		\$77,156,615	\$5,148,775	6.67

¹ Includes Laconia for entire period.² Wool and cotton since purchase of Manchester in 1905.³ Loss.

Note.—Operations of Amory and Manchester are for seventeen years and American Woollen since organization in 1899.

B.

Average capitalization and average annual net return after deducting losses from dividends paid, 1889-1898 and 1899-1908.

Company.	1889-1898.		1899-1908.	
	Capital.	Net Return.	Capital.	Net Return.
Ætna	\$250,000	\$9,000	\$287,500	\$19,500
Am. Woolen			22,375,000	1,566,250
Amory	1,350,000	98,550	1,916,430	79,070
Amoskeag	4,000,000	306,000	4,286,000	649,760
Androscoggin	1,000,000	79,000	1,000,000	93,000
Appleton	585,000 ²	34,050	450,000	32,400
Arlington	1,974,875	122,493	3,550,000	364,000
Atlantic	1,000,000	39,000	1,000,000	27,000
Bates	1,120,000	82,800	1,200,000	169,200
Boott	1,200,000	64,200	1,080,000 ²	86,952
Boston Duck	350,000	56,500	350,000	34,300
Cabot	648,000	12,040	800,000	28,400
Chicopee	1,000,000	45,000	781,250 ²	66,887
Cocheco	1,500,000	30,000	1,500,000	
Continental	1,500,000		1,500,000	15,000
Dwight	1,200,000	134,400	1,200,000	151,200
Edwards	942,500	72,400	1,100,000	74,600
Everett	700,000	27,400	700,000	41,300
Fisher	445,000	25,700	500,000	29,500
Franklin	1,000,000	60,000	725,000 ²	11,000
Great Falls	1,500,000	118,500	1,500,000	180,000
Hamilton (C)	1,800,000	75,600	1,800,000	88,200
Hamilton (W)	1,000,000	35,000	1,000,000	25,500
Hill	980,000	31,360	980,000	31,360
Jackson	600,000	33,600	600,000	39,600
Laconia	1,000,000	71,500	(Merged with Pepperell)	
Lancaster	1,200,000	64,800	1,080,000 ²	49,800
Lawrence	1,312,500	24,750	1,125,000	125,250
Lockwood	1,800,000	88,200	1,800,000	97,200
Lowell Bleachery	400,000	22,800	270,000 ²	19,400
Lyman	1,470,000	49,980	1,470,000	63,210
Manchester	2,000,000	144,000	2,160,700 ²	168,700
Massachusetts	1,800,000	95,400	1,800,000	108,000
Merrimack	2,500,000	140,000	3,360,000	127,625
Middlesex	750,000	47,250	750,000	13,500
Nashua	1,000,000	69,500	1,000,000	89,000
Naumkeag	1,500,000	55,500	1,500,000	57,000
Newmarket	800,000	24,400	690,000 ²	72,000
Otis	800,000	78,400	800,000	80,000
Pacific	2,500,000	272,500	2,950,000	453,000
Pepperell ¹	1,200,000	222,000	2,638,200	597,724
Salmon Falls	600,000	25,800	600,000	10,800
Thorndike	450,000	41,400	608,750	52,875
Tremont & Suffolk	1,395,000	128,700	1,950,000	114,500
York	900,000	52,200	1,050,000	89,400
Total	\$53,022,575	\$3,243,573	\$78,883,830	\$5,341,485

¹ Includes Laconia in the second decade.

² Loss.

Note. — American Woolen was organized in 1899. Amory and Manchester figures for second decade cover seven years to purchase by Amoskeag.

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C.

Selling value of stock January 1, 1889, July 1, 1899, and December 10, 1908, based on market quotations; additional capital invested and dividends paid.

Company.	Market Selling Value of Stock.			Additional Capital.	Dividends.
	Jan. 1, 1889.	July 1, 1899.	Dec. 10, 1908.		
Ætna	\$227,500	\$162,500	\$375,000	\$125,000	\$285,000
Am. Woolen		10,000,000	33,250,000	25,000,000	15,662,500
Amory	1,552,500	1,714,500	(Sold)		1,776,200
Amoskeag	7,560,000	7,000,000	16,128,000	3,520,000	9,557,600
Androscoggin	1,300,000	1,160,000	1,550,000		1,720,000
Appleton	420,000	461,750	607,500	300,000	433,500
Arlington	1,380,000	2,625,000	8,400,000	3,500,000	4,864,925
Atlantic	1,060,000	600,000	650,000		660,000
Bates	1,130,000	1,560,000	2,700,000	200,000	2,520,000
Boott	1,602,000	960,000	1,000,000	1,000,000	972,480
Boston Duck	580,000	487,500	650,000		908,000
Cabot	420,000	440,000	640,000	320,000	524,400
Chicopee	1,000,000	900,000	475,000	400,000	681,125
Cocheco	1,260,000	681,000	600,000		300,000
Continental	450,000	330,000	900,000		150,000
Dwight	1,716,000	2,064,000	2,424,000		2,856,000
Edwards	772,500	1,881,000	1,265,000	350,000	1,450,000
Everett	700,000	588,000	980,000		687,000
Fisher	520,000	500,000	500,000	100,000	542,000
Franklin	940,000	1,030,000	550,000		990,000
Great Falls	1,500,000	2,295,000	2,700,000		2,985,000
Hamilton (C)	1,620,000	1,380,600	1,440,000		1,638,000
Hamilton (W)	970,000	510,000	650,000		605,000
Hill	818,200	401,800	588,000		638,400
Jackson	594,000	597,000	582,000		732,000
Laconia	1,212,500	(Included in Pepperell)			
Lancaster	1,680,000	1,350,000	810,000	300,000	1,050,000
Lawrence	2,287,500	945,000	1,812,500		2,250,000
Lockwood	1,764,000	1,314,000	1,890,000		1,854,000
Lowell Bleachery	532,000	312,000	280,000	100,000	334,000
Lyman	940,800	955,500	1,543,500		1,131,900
Manchester	2,940,000	1,900,000	(Sold)	2,000,000	1,897,000
Massachusetts	2,070,000	1,800,000	2,160,000		2,034,000
Merrimack	2,950,000	2,800,000	2,502,500	1,650,000	2,676,250
Middlesex	1,125,000	862,500	262,500		607,500
Nashua	1,180,000	1,270,000	1,220,000		1,585,000
Naumkeag	1,485,000	1,020,000	1,575,000		1,125,000
Newmarket	560,000	240,000	300,000	520,000	244,000
Otis	1,480,000	1,360,000	1,440,000		1,584,000
Pacific	3,875,000	5,275,000	9,000,000		7,255,000
Pepperell ¹	2,886,000	5,878,800	7,530,200		9,797,240
Salmon Falls	460,000	350,000	220,000		366,000
Thorndike	542,250	472,500	1,012,500	225,000	940,275
Tremont & Suffolk	1,536,000	2,055,000	2,000,000		2,432,000
York	1,260,000	900,000	2,520,000	600,000	1,416,000
Total	\$62,798,850	\$71,389,950	\$117,683,200	\$38,210,000	\$94,718,295

¹ Includes Laconia except as to market value January 1, 1889.

LOSSES.

Appleton, \$450,000; Boott, \$1,200,000; Cabot, \$120,000; Chicopee, \$900,000; Franklin, \$500,000; Lancaster, \$900,000; Lawrence, \$750,000; Lowell Bleachery, \$300,000; Manchester, \$1,500,000; Newmarket, \$720,000. Total, \$7,340,000.

SALES OF WOOLEN MILLS BY AUCTION.

In the statement above it will doubtless be observed that the cotton manufacturing corporations whose careers are followed through the twenty-year period far outnumber the wool manufacturing corporations. This is due partly to the fact that there are more cotton than woolen mills in existence, partly to the fact that originally the woolen mills were most of them owned by individuals, but that with the development of the industry the mills are now necessarily coming to be owned and controlled by corporations, and partly also to the fact that the woolen mills of New England have had a harder struggle to live, and have experienced many more vicissitudes than have the cotton manufacturing companies. If profits were inordinately large in wool manufacturing the ownership and management of these establishments would not change so rapidly as they have been changing. It is a usual practice in New England, when for one reason or another mills can no longer be run advantageously, to have them sold at public auction to new, more confident and perhaps more resourceful owners and managers.

EARNINGS ON SALES.

The statistical analysis of earnings already given shows these profits as based upon the capital stock of the corporations. There is another and perhaps a better way of measuring the profits of an industry — the net earnings on the total sales. We submit three statements from public accountants who have examined the books of three large wool manufacturing corporations, one of which has made in recent years an average of 5.2 per cent upon its sales, the second 2.03 per cent, and the third 2.06 per cent. Here again there is proof from the records of actual business that the wool manufacture under present tariff and other conditions is by no means an inordinately profitable industry, and that, as we have already urged before your committee, any reduction in its rate of profit would make it impossible for the industry to maintain the present rate of wages and to return dividends that would insure either the infusion of new capital or the retention of capital now employed.

ROBERT J. DYSART,
Public Accountant.
Expert on Corporation and Partnership Affairs.

MERCHANTS BANK BUILDING, 28 State St.
BOSTON, January 11, 1909.

MR. WILLIAM WHITMAN, *President National Association of
Wool Manufacturers, Boston, Mass.*

DEAR SIR: I have examined the books of a corporation in New England engaged chiefly in the manufacture of worsted dress fabrics and other worsted goods, and find that during the period covering ten years ending November 30, 1908, the average yearly sales amounted to \$8,875,105.64, on which amount the average yearly net earnings, after deducting interest on the capital employed, and proper allowance for depreciation on plant, amounted to \$461,550.31, or, in other words, 5.2 per cent of the sales.

Very truly yours,

ROBERT J. DYSART,
*Fellow
American Association Public Accountants.
Fellow
Incorporated Public Accountants Massachusetts.*

GEORGE R. LAWTON,
Certified Public Accountant,
57 North Main St., Fall River, Mass.,
P.O. Box 159.

JANUARY 23, 1909.

WILLIAM WHITMAN, ESQ., *President National Association of
Wool Manufacturers, 683 Atlantic Ave., Boston, Mass.*

DEAR SIR: I have examined the books of a corporation in New England engaged in the manufacture of worsted and woolen goods, and find that during the period covering eight and three-quarters years ending December 31, 1907, the aggregate sales amounted to \$346,966,141.63, of which amount the net earnings, after deducting interest on preferred capital and surplus employed, a 5 per cent allowance for depreciation on plants, amount to \$7,067,622.52, or, in other words, 2.03 per cent of the sales.

Very truly yours,

GEO. R. LAWTON,
Certified Public Accountant.

FEBRUARY 1, 1909.

MR. WILLIAM WHITMAN, *President National Association of Wool Manufacturers, Boston, Mass.*

DEAR SIR: I have examined the books of a corporation in New England engaged chiefly in the manufacture of cotton warp coat linings, worsted dress fabrics and other worsted goods, and find that during the period covering nine years and eleven months ending November 30, 1908, the average yearly sales amounted to \$1,564,426.35, on which amount the average yearly net earnings, after deducting interest on the capital employed, amounted to \$32,197.54, or, in other words, 2.06 per cent of the sales.

Yours very truly,

W. H. STUMPFEL,
Public Accountant.

WAGES AND COST OF OPERATION.

A very important statement as to the difference in wages and cost of operation has been received from Mr. Julius Forstmann of the Forstmann & Huffmann Company, Passaic, N.J. Mr. Forstmann has had valuable practical experience as a wool manufacturer in both Germany and the United States, and is, therefore, qualified to speak with unusual authority. He was a member of the recent German Tariff Commission. Mr. Forstmann states that he is paying \$2.25 here in this country for the same work for which a German mill hand received \$1.00, and that the cost of erecting and installing a mill in the United States is 50 per cent higher than in Europe. His letter is as follows:

FORSTMANN & HUFFMANN CO.

PASSAIC, N.J., January 8, 1909.

MR. WILLIAM WHITMAN, *President National Association of Wool Manufacturers, 683 Atlantic Ave., Boston, Mass.*

DEAR SIR: Confirming my telegram of the 6th in reply to your letter of the 5th inst., I have to-day forwarded to your address by Adams Express a package containing samples of wool and woolen cloths which taken together with the memoranda herewith enclosed will, I believe, serve to answer your question as

to the proportionate quantities of scoured and unscoured wool that are required to produce a certain quantity of cloth.

As to the *difference in the scale of wages*, I have carefully compared the list of wages paid to our workmen in Germany, and find that for the same work done here in Passaic we have to pay 125 to 150 per cent higher, in other words — for the same work for which a German mill hand received \$1.00 we have to pay here \$2.25 to \$2.50.

Furthermore the mill people of Europe have for the most part inherited and acquired a certain proficiency in their respective line of work, having been employed through several generations in the same capacities, whereas the American manufacturer has no such advantages and is obliged to educate almost all of his working people.

The *cost of erecting and installing* a mill in the United States is 50 per cent higher than the same can be done for in Europe.

The *money rates* are generally much lower in Europe than in the United States, which is also an important factor in the cost of production to the advantage of the European manufacturer.

I have no hesitation in stating my conviction that, were it not for the great distance of European manufacturers from this market and the loss of time involved in transportation, which prevents a quick delivery of merchandise, the present tariff would prove insufficient for the protection of the woolen industry; and it must not be overlooked that this disadvantage to the importer is being gradually reduced by the increased efficiency of means of transportation.

One very important reason why the American woolen manufacturer requires protection is the fact that he depends *entirely* upon the home market, whereas to the European manufacturer the whole world is open and in the event of business depression in one market, he can send his wares to any other, while the American has no alternative but to reduce production or perhaps close down his mill entirely.

In proportion to the general expenses of living the cost of woolen clothing worn by the great majority of the American people is lower than in Europe. My explanation of this is that the American manufacturers have been able to reduce the cost of the cloth by producing in large quantities, and the same methods are followed in the manufacture of ready-made garments, which

has reached a position far ahead of the same kind of business in Europe.

Hoping this information will be of assistance to you, I remain, with kind regards,

Yours very truly,

JULIUS FORSTMANN.

A COMPARISON OF PHILADELPHIA AND BRADFORD.

Another important statement based upon data procured from both sides of the ocean is that of Mr. Walter Erben, President of the Erben-Harding Company of Philadelphia. Mr. Erben states that the wages paid in making worsted yarns on the Bradford system in this country are more than twice as high as the wages paid for similar work in Bradford, England, that the wages in France, Germany, Belgium, and Poland are far lower, even, than British wages, and that the present tariff protection on yarns is no more than sufficient to compensate the home manufacturer.

Mr. Erben presents in great detail the elements of material and wages that enter into the costs of production of worsted yarns. He enjoys exceptional opportunities for ascertaining these costs on both sides of the ocean — opportunities denied, as a rule, to American manufacturers and seldom or never available to official representatives of the Government. We regard Mr. Erben's statement as of the utmost importance, and bespeak for it the most careful consideration of your committee. It will be observed that appended to it is an exact comparative statement of the wages of worsted mills in Bradford, England, and in Philadelphia, and appended also is a statement of prices of wool tops in Bradford and of prices paid for wool in Australia by European manufacturers and also by the Erben-Harding Company.

THE ERBEN-HARDING COMPANY,
PHILADELPHIA, PA.

JANUARY 4, 1909.

MR. WILLIAM WHITMAN, *President National Association of
Wool Manufacturers, Boston, Mass.*

DEAR MR. WHITMAN: The cost of making worsted yarns on the Bradford system in our plant (which is almost exclusively

devoted to spinning fine counts from Australian Merino wools), compared to cost in Bradford, is almost in the same proportion as the wage schedule in our plant and that in Bradford. From the wage schedule attached hereto, it will be seen that our wages are 225 per cent of the Bradford schedule. In actual fact, this difference is greater for the following reasons:

The output of worsted machinery in this country is not any greater if as great as that in Bradford for various reasons. Among these are climatic conditions, that of England being much more advantageous owing to the humidity being nearer uniform with not so wide a range in temperature. This permits the spindles at all times to be run to give the maximum production, whereas with us, owing to excessive dryness or the reverse, high winds, etc., we are often compelled to decrease the speed of our spindles or add twist in order to get a good spin and thus lower our production with a consequent increase of cost of production. At no time can the machinery in this country be run at a higher speed than in Bradford.

The operatives in Bradford mills are far more expert, with a consequent result in their yarns having less imperfections than those made on identically similar machinery in this country, with a consequent saving in the cost of manufacture in not having to pay high wages to examine yarns much more carefully to remove various imperfections made through careless and inefficient workmanship. The operatives in Bradford stay at one branch of industry, whereas the mills in this country are continually having employees shifting from the spinning mills to weaving mills, knitting mills, and other industries, thus comparatively few arriving at that expertness that is attained by the majority of those in Bradford.

For a spinning plant (by this is meant one in which the scouring, carding, combing and subsequent operations are carried on) of a given number of spindles, using the same wools and spinning the same counts of yarns, the Bradford mills would employ a less number of operatives, and though the wage schedule attached hereto, and the percentage of wages paid here and abroad (225 to 100) is based on exactly the same number of employees, the actual difference would be nearer 250 to 100 than 225 to 100; by this is meant the wage cost on a pound of yarn here would be $2\frac{1}{2}$ times that of Bradford and not $2\frac{1}{4}$ times.

All other expenses that enter into the cost of making yarns are greater than in Bradford, buildings, machinery, supplies of all kinds, and office expenses, selling expenses, etc.

By referring to the table attached hereto, it will be seen that the cost of making yarns from Australian Merino Grease wools is as follows:

	Bradford.	Our Plant.	% Bradford.
$\frac{2}{60}$	20 $\frac{1}{2}$ c.	49 c.	239
$\frac{2}{48}$	17 $\frac{1}{2}$ c.	42 $\frac{1}{2}$ c.	243
$\frac{2}{40}$	15 $\frac{1}{3}$ c.	38 c.	248
$\frac{2}{36}$	14 c.	36 c.	257
$\frac{2}{30}$	13 $\frac{1}{3}$ c.	32 $\frac{1}{2}$ c.	244
An average of			246

The yarn schedule under the present bill is only sufficient to compensate the home manufacturer (*reference now is only made to the ad valorem duty of 40 per cent*) for the difference in cost of manufacturing fine counts as specified above from fine Australian wools, the only class of yarns of which our company has sufficient knowledge to speak intelligently.

Take a 70 top (70 designates the quality) as sold in Bradford in October, 1908 (and for which the Bradford manufacturer could have purchased wools in the October sales to duplicate his sales), at 51 $\frac{4}{10}$ cents, and deducting combing charges 4 $\frac{3}{4}$ cents, we have material in top cost 46 $\frac{65}{100}$ cents, and for material in yarn, 48 cents. For the various counts this would make the cost (see Table of Costs of Manufacturing)

In Bradford,	In our Plant without Duty on Wool,
of $\frac{2}{60}$ 48 c. + 20 $\frac{1}{2}$ c. = 68 $\frac{1}{2}$ c.	$\frac{2}{60}$ 48 c. + 49 c. = 97 c.
$\frac{2}{48}$ 48 c. + 17 $\frac{1}{2}$ c. = 65 $\frac{1}{2}$ c.	$\frac{2}{48}$ 48 c. + 42 $\frac{1}{2}$ c. = 90 $\frac{1}{2}$ c.
$\frac{2}{40}$ 48 c. + 15 $\frac{1}{3}$ c. = 63 $\frac{1}{3}$ c.	$\frac{2}{40}$ 48 c. + 38 c. = 86 c.
$\frac{2}{36}$ 48 c. + 14 c. = 62 c.	$\frac{2}{36}$ 48 c. + 36 c. = 84 c.
$\frac{2}{30}$ 48 c. + 13 $\frac{1}{3}$ c. = 61 $\frac{1}{3}$ c.	$\frac{2}{30}$ 48 c. + 32 $\frac{1}{2}$ c. = 80 $\frac{1}{2}$ c.

40 Per Cent Duty on Bradford Prices
makes

for $\frac{2}{60}$ 68 $\frac{1}{2}$ c. + 27.4 = 95.9.
$\frac{2}{48}$ 65 $\frac{1}{2}$ c. + 26.2 = 91.7.
$\frac{2}{40}$ 63 $\frac{1}{3}$ c. + 25 $\frac{1}{3}$ = 88.7.
$\frac{2}{36}$ 62 c. + 24.8 = 86.8.
$\frac{2}{30}$ 61 $\frac{1}{3}$ c. + 24.5 = 85.8.

The above proves conclusively that the ad valorem duty of 40 per cent is no more than sufficient to protect the home manufacturer.

With fine Australian wools on a lower level of prices a duty of 40 per cent would barely be adequate to make up the difference in the cost of manufacturing.

From the table of costs of material attached hereto, it will be seen that the European manufacturer is at a great advantage in the purchase of his raw material.

We are compelled to purchase wools that give a high yield, and these high yields make it seem as if three times the wool duty on scoured wools per pound was much more than what our manufacturers required. It will be seen from the table, however, that when we were paying respectively $62\frac{3}{4}$, $58\frac{1}{3}$, and $52\frac{1}{2}$ cents for qualities 70, 64 and 58 on a scoured basis — no duty figured — the European manufacturers at the same sales were buying wools of similar character and quality *all of 10 cents per pound less on a scoured basis*. Take the price of tops in Bradford in October, 1908 (see table), and these prices included the cost of making, at the same time (October, 1908) wools were being purchased in Australia at prices that enabled the European manufacturer to sell at these low prices, yet, owing to the character of the wools, low yields, etc., *though our Company had orders in Australia not a bale was purchased for our account*.

This may be used as an argument for an ad valorem duty on wool, but when it is known that under such a duty wools could be invoiced at the lowest price of the sales, with no way to determine what special lots were forwarded to this country, it would open wide the door for false invoicing. The December sales in Australia were 10 per cent higher than the October sales, and the dishonest importer would have a large profit and could undersell the honest importer. There would be nothing to prevent the dishonest importer from repacking high yielding wools in the bagging that originally contained a low yielding wool and invoicing it under the marks and prices paid for the low yielding wools, with very little chance of detection.

Reference to the table will show that three times the wool duty on scoured wools is no more than sufficient to equalize the cost on scoured basis. Quality 64 to 67, purchased by the Euro-

pean manufacturers in the December sales at 50¾ c. costs with 33 c. duty added 83¾ c. and our company had to pay 82 c. to 84 c. for wools of a similar quality and character.

The only exception is super warp wools of exceeding fineness, of which there is only a very limited quantity at any time, and for which competition is so keen that prices have no relation to their intrinsic value except for some special work.

Regarding the specific duty on yarns, 3½ times the wool duty is required by the home manufacturer.

Figuring only on material, the yarn (the cost of making not included) made from wools purchased by European manufacturers in the Australian December sales would cost *for material only* on lower range of prices :

Quality 67 to 74.....	58 c.
64 “ 67.....	51½ c.
64.....	49½ c.
60.....	49 c.

The material in yarn made from wools purchased in the same sales by our company cost for our qualities :

70.....	90 c.
64.....	87½ c.
58.....	80 c.

Taking average of 67 to 74 and 64 to 67, as equivalent to our 70 quality, — and for our 64 quality taking average of 64 to 67, — 64 and 60, we have

for 70 quality.....	55 c.
64 “.....	50 c.

Referring to the table of costs of manufacturing we have costs of European manufacturers for

Quality 70.	2/60	2/48	2/40	2/36	2/30
Material	55	55	55	55	55
Cost of making	20½	17½	15⅓	14	13⅓
Total	75½	72½	70⅓	69	68⅓

Quality 64.	2/60	2/48	2/40	2/36	2/30
Material	50	50	50	50	50
Cost of making	20½	17½	15⅓	14	13⅓
Total	70½	67½	65⅓	64	63⅓

If IMPORTED — these would cost

Quality 70.	2/60	2/48	2/40	2/36	2/30
Add specific duty	75½	72½	70⅓	69	68⅓
Add 40% ad valorem	38½	38½	38½	38½	38½
Add 40% ad valorem	30½	29	28⅓	27⅔	27⅓
Total	1.44⅓	1.40	1.37	1.35⅓	1.34⅓

Quality 64.	2/60	2/48	2/40	2/36	2/30
Add specific duty	70½	67½	65⅓	64	63⅓
Add 40% ad valorem	38½	38½	38½	38½	38½
Add 40% ad valorem	28½	27	26⅓	25⅔	25⅓
Total	1.37⅓	1.33	1.30	1.28⅓	1.27⅓

Our actual costs from wools purchased at same sales are :

for	2/60	2/48	2/40	2/36	2/30
Quality 70	90	90	90	90	90
Cost of making	49	42½	38	36	32½
Total	1.39	1.32½	1.28	1.26	1.22½

Quality 64.	2/60	2/48	2/40	2/36	2/30
Material	87½	87½	87½	87½	87½
Cost of making.....	49	42½	38	36	32½
Total.....	1.36½	1.30	1.25½	1.23½	1.20

The foregoing statement makes it evident that on fine Australian yarns in fine counts the home manufacturer is entitled to all the duty that is now levied.

In spinning the lower counts, say from 40 count down, the European manufacturer would use wools that would readily spin to those counts but would be difficult to make a satisfactory yarn in finer counts.

All the foregoing data are based on wools of good character and such wools that we ourselves would buy if conditions were favorable.

It is a well-known fact that the wage schedule of Bradford is higher than of France and Germany.

I should like to state here what I saw in a scouring and carbonizing plant in Belgium a number of years ago. Conditions probably have been altered since that time. The mill was operated by Englishmen, who sent their wool to Belgium to be scoured and carbonized because of low wages. Women were trucking bales, sorting wool, feeding wool scouring machines, and practically doing all the work, and they were being paid one cent per hour; 72 cents for 72 hours per week; those who were expert in wool sorting could earn one and a quarter cents per hour. This I know from personal knowledge.

Another incident I would like to state; this was six years ago. A Bradford manufacturer in discussing trade conditions, etc., stated what he said he knew to be true, that an English manufacturer was running a spinning mill in Poland and the average wages paid was not over 50 cents per week for 72 hours work, but that the operatives were housed and fed in the mill by the owners.

It is against such conditions we need all the present duties that are exacted, for though these may only be isolated cases,

they are no doubt of sufficient number to cause disaster to our industry if the bars are lowered to the least extent.

Samples of grease wools, tops, and yarns are forwarded with this statement — marked from the E. H. Company.

I have no data from abroad on 58 quality, so have given no figures concerning same.

The results from Domestic Territory wools furnished me by a manufacturer who is a large user of such wools, are as follows :

Fine Wyoming	20 lbs. yarn from 100 lbs. grease wool.
Fine Medium Wyoming.....	20 “ “ “ 100 “ “ “
Medium Wyoming	20 “ “ “ 100 “ “ “
$\frac{1}{4}$ and $\frac{3}{8}$ Domestic	40 “ “ “ 100 “ “ “

Samples of wool, tops and yarn are forwarded with statement.

A very large amount of the wools used abroad are equally as heavy as these Wyoming wools and these figures show conclusively why wools of a similar character cannot be imported by our manufacturers and why the specific duty on yarns should not be lowered. In making up the statement concerning the wools our Company imports, no information was obtained from abroad on similar wools as our domestic territories.

WALTER ERBEN, *President*,
The Erben-Harding Co.

Philadelphia,
January 4, 1909.

WAGE LIST OF WORSTED MILL.

Based on Same Number of Hours per Week.

	In Bradford.	In Philadelphia.
Head Wool Sorter.....	\$9.52	\$25.00
Wool Sorters.....	8.96	18.00
Wash House Overlooker.....	6.00	20.00
Card Room	7.50	20.00
Combing Room	8.50	25.00
Drawing "	8.50	25.00
Spinning "	8.00	20.00
Twisting "	8.00	20.00
Reeling "	8.00	18.00
Backwashers	3.12	6.00
Gill Boxes	3.12	5.50
Combs (2)	3.37	8.80
Gill Boxes (4)	3.00	8.80
Wool Washers	5.25	10.00
Card Strippers	6.00	12.00
Card Feeders	4.25	5.50
Drawing Gills	2.75	5.50
Drawing Frames	2.75	6.60
Roving Frames	2.50	5.50
Spinners 256 Spindle	2.50	6.00
" 332 "	2.62	7.00
Overlookers Assistants	2.12	12.00
Doffers	1.87	4.40
Twisters	2.87	6.60
Winders	2.62	4.40
Reelers	3.00	7.50
Engineers	6.50	20.00
Firemen	6.00	12.00
Laborers	5.75	10.00

Taking the requisite number of employees for a mill of a given number of spindles, the proportion wages are

For Bradford 100 Philadelphia 225

Prices prevailing in Bradford, Eng., for Tops, October, 1908.	Prices paid in Australia during October, 1908, by European Mfrs. — Scoured Basis.
Quality 70 51.4 c.	Good Merino Warp 64 to 67 46 $\frac{2}{3}$ c.
" 64 48.1 c.	" " " 60 43 c.
" 58 41 c.	Good Merino Warp & Weft 64 to 67 .. 45 c.
	" " " " 64 43 c.

Prices paid in Australia during December, 1908, by European Mfrs. — Scoured Basis.

Super Merino Warp 67 to 74	57½ c.
Good “ “ 64 to 67	50¾ c.
“ “ “ 60	47¾ c.
Super Merino Warp and Weft 67 to 74	56½ c.
Good “ “ “ 64 “ 67	50¼ c.
“ “ “ “ “ 64	48½ c.

Prices paid in Australia during December,
1908, by our Company. — Scoured Basis,
Lowest up to

If no Duty on Wool our Purchases would
have cost, Scoured Basis,

67 to 74	84 c.	86 c.	70	62¾ c.
64 “ 67	82 c.	84 c.	—	—
64	79 c.	80 c.	64	58½ c.
60	77 c.	74 c.	58	52½ c.
58	72 c.			

Result of One Year's Purchases — Prices same as now Ruling.

Quality.	Cost of Aus- tralian Merino in Bales.	Cost of Sorts Ready for Scouring.	Cost of Mate- rial in Top.	Cost of Mate- rial in Yarn.	Yield of Yarn from Grease Wool.
70	46.27 c.	47.88 c.	87 c.	90 c.	41.3%
64	44.87 c.	47.14 c.	84 c.	87½ c.	42.7%
58	45.18 c.	46.40 c.	76.3 c.	80 c.	46.6%

Cost of Making Worsted Yarn — Bradford System. Combing, Spinning and all other
Expenses included and delivered in Skeins from Australian Merino Grease Wools.

Count of Yarn.	In Bradford.	In our Plant.
2 ₆₀	20½ c.	49 c.
2 ₄₈	17½ c.	42½ c.
2 ₄₀	15½ c.	38 c.
2 ₃₆	14 c.	36 c.
2 ₃₀	13½ c.	32½ c.

AN EXAMPLE FROM CANADA.

Wool manufacturers of Canada have the advantage of a lower range of wages than American manufacturers can command. The Canadians have certain excellent grades of wool of native production and are not required to pay high duties on their raw materials. They have enjoyed a protection of 50 per cent against imported goods, but this has been lowered through the imperial preference given to British manufacturers. The result is an indication of what would inevitably be the fate of the American wool manufacturing industry if its present protection were withdrawn or reduced to a point so low as to be ineffective. The Canadian wool manufacturing industry is being steadily extinguished, as this recent newspaper statement shows :

“TARIFF CLOSES WOOLEN MILLS.

MONTREAL COMPANY HAS DECIDED
TO LIQUIDATE.

HAS NO HOPES OF RELIEF.

*Another Term of Laurier's Regime has convinced
them they cannot operate profitably.*

Special to the *Mail and Empire*.

Montreal, December 13.—Another tribute to the effectiveness of the Fielding tariff was announced yesterday, when the Montreal Woolen Mill Company decided to liquidate its business, realizing that under existing conditions they could not operate their mills profitably. The company has been in business since 1879, and has an extensive water power plant on the canal bank here.

Their business has suffered in common with other woolen business under the Liberal tariffs, and when it became apparent that the Laurier Government would be in power for another four years and would do nothing to relieve the woolen industry, they decided to quit. The closing down will throw a large number of hands out of work.”

The following correspondence more fully explains the circumstances of the case :

THE MONTREAL WOOLEN MILL CO.
MANUFACTURERS OF
HEAVY WOOLENS, TWEEDS, ETC.

MONTREAL, December 7th, 1908.

DEAR SIR: It is with deep regret that we beg to announce to the trade our decision to liquidate our business of manufacturing woollens. We are compelled to this course of action by the realization of the fact that we cannot, under existing conditions, hope to operate our mills profitably.

We consequently desire to inform you that we will only execute repeat orders for such goods as we may have the requisite raw materials for, up to 31st inst., when we discontinue advance orders and only deliver stock goods and orders already booked.

We have at present a large stock of manufactured goods, which we will be pleased to show the trade at clearing prices.

Yours truly,

THE MONTREAL WOOLEN MILL COMPANY.

MONTREAL, December 23, 1908.

TO MESSRS. THE TEXTILE WORLD RECORD, 144 Congress Street, Boston, Mass.

DEAR SIR: We are in receipt of yours of the 21st inst., and note contents. We have done as requested in your slip and hope same will be satisfactory. We also enclose a circular which explains our position. We have been in business for the past 30 years and have always paid good interest on the capital invested till the last 4 years. Since the present liberal party came into power they have lowered the duty from 50 per cent to 23 1/2 per cent and have practically annihilated the woollen industry. During their stay in power they have through their free trade policy been the cause of 75 per cent of the woollen mills closing, and if they stay in power much longer there will be none left and the once biggest Canadian industry will be no more. We have during the last 4 years lost money, but have been hanging on expecting a change in Government which did not come, and we now have decided to liquidate our plant while we can pay 100 cents on the dollar. Do you know what the duty on second hand woollen machinery is into the States, if same is low enough we may be

enticed to move our machinery and go over, providing we could secure a good location at a reasonable figure. If not too much trouble, we would be much obliged if you know of a place that you think would suit our requirements to let us have a line from you. We prefer a plant with water power if at all possible to get. Thanking you in anticipation of an early reply, and wishing you a Merry Xmas and a prosperous and Happy New Year, we remain,

Yours respectfully,

THE MONTREAL WOOLEN MILL CO.

H. W. H.

MONTREAL, December 29, 1908.

TO MESSRS. THE TEXTILE WORLD RECORD, *144 Congress Street, Boston, Mass.*

DEAR SIR: We are in receipt of yours of the 26th inst., and note contents. We will be only too glad to allow you permission to use our letter as requested and hope that your industry will be fostered and not as our Government are doing wiping out Canada's once biggest industry, and may you always be blessed with a protection that protects home industries. Any further information we can give you will be gladly given. We remain,

Yours respectfully,

THE MONTREAL WOOLEN MILL CO.

H. W. H.

P.S. We enclose catalogue of our machinery for sale.

The downfall of her wool manufacturing establishments, because of inadequate protection, will leave Canada, a country of shrewd, energetic and ambitious people like our own, dependent upon Europe for the elementary need of clothing for her people. This is a condition of industrial dependency that seems humiliating and incredible to a majority of Americans — but it is unquestionably a condition which would be ours if we followed the example of the Canadian government and reduced our wool and woollen tariff to a point where it ceased to be protective against the enormous

capital, the highly organized industry and the cheap wages of the Old World.

THE SCHEME FOR A TARIFF COMMISSION.

We wish at this time to place ourselves on record as among the American business interests uncompromisingly opposed to the idea of a tariff commission, either displacing or supplementing the Committee on Ways and Means. That Congress will ever yield its constitutional right to originate and shape revenue legislation is unthinkable. Therefore the only use which a tariff commission could serve would be at the most as an external advisory body, or at the least as a group of expert clerks employed to gather and arrange a mass of detailed industrial information.

This latter work in the present tariff revision has been most skilfully and comprehensively done by the clerical force of your own committee. We have had occasion to examine the statement of "Imports and Duties" and other memoranda which they have prepared and we are very sure that never in any previous tariff revision has your committee been enabled to begin its work with such a thorough and exact preliminary equipment. Experts in the permanent service of your committee who have such proved ability as this render any separate commission quite superfluous.

It may be objected that the clerks of a committee represent the majority of that committee and are, therefore, partisan, and that a non-partisan tariff commission would be preferable. But to our mind all thought of a non-partisan tariff commission is absurd. The tariff question in its very essence is partisan and has been for more than a hundred years. The difference between the protectionist on one hand and the free trader or the tariff-for-revenue-only man on the other is wide, deep, and irreconcilable. Your committee acknowledges this when the Republican protectionist majority, sitting by itself, undertakes the actual preparation of the new tariff law, without consultation with the Democratic minority. The majority and the minority of your committee and the majority and minority of Congress could agree neither on details nor broad, underlying principles.

A tariff commission made up partly of protectionists and partly of free traders, if this is what is signified by a non-partisan tariff

commission, could no more agree upon a revenue measure than a commission partly of gold standard men and partly of free silver men could agree upon a financial law. The two policies are absolutely antagonistic; one or the other must prevail; there can be no compromise. A non-partisan tariff commission of this kind would inevitably be nothing but an acrimonious debating club, totally incapable of united and efficient action. It would confuse and not clarify the public mind, and intensify and not calm tariff agitation. The very knowledge that such a commission were constantly at work hunting for information and preparing for another revision of the tariff would be a mischievous cause of unrest, a feverish blight upon American business. What is needed after every tariff revision is a long period of quiet, of freedom from disturbance. Every new tariff law deserves a decent period of time for a fair and thorough trial, and the business of the country wants to be spared all thought of tariff contention from the hour that one tariff revision is completed until, at least a dozen years hence, another revision is impending.

A tariff commission seeking to justify its existence by activity in season and out of season would keep business constantly stirred up and apprehensive. We are earnestly of the opinion that every good purpose that the best kind of a tariff commission possibly could serve is being served far more effectively now by the Committee on Ways and Means of the House of Representatives. In character and ability this most important committee of Congress stands head and shoulders above any outside commission that could possibly be secured. It is habitually composed of leading men of the two parties in Congress. They are responsible to their parties and responsible to their constituents, and through them the will of the majority of the people, which ought to and does dictate the law of the land, finds always much more accurate and authoritative expression than could be secured from any appointive commission in the whole complex machinery of our Federal government.

An overwhelming majority of the American people believe in the American protective policy, and while some sincere protectionists have undoubtedly joined in the advocacy of this idea of a tariff commission, we regard the movement in its inception and in most of its support as simply a scheme of interests

opposed to protection to defeat the popular will and to prevent the enactment by Congress -- elected by and representing the whole body of the people -- of tariff legislation honestly protective of American industry.

Very truly yours,

WILLIAM WHITMAN,

Boston,

President and Chairman Ex Officio,

FREDERIC S. CLARK,

North Billerica, Mass.,

CHARLES H. HARDING,

Philadelphia, Pa.,

LOUIS B. GOODALL,

Sanford, Me.,

JOSEPH R. GRUNDY,

Philadelphia, Pa.,

JOHN HOPEWELL,

Boston, Mass.,

JOHN P. WOOD,

Philadelphia, Pa.,

J. R. MACCOLL,

Pawtucket, R.I.,

FRANCIS T. MAXWELL,

Rockville, Conn.,

J. F. MAYNARD,

Utica, N.Y.,

THOMAS OAKES,

Bloomfield, N.J.,

Tariff Committee National Association

of Wool Manufacturers,

WINTHROP L. MARVIN,

Secretary.

RONALD AND RODGER, LIVERPOOL.

MONTHLY WOOL PRICES CURRENT FOR THE UNITED STATES.

Domestic Combing and Other Wools.

		Per pound.	
		S. D.	S. D.
English, Irish, etc.—			
Lustre Hogs (good)	0 9	@	0 10
“ Wethers	0 7½	“	0 8
Kent Fleeces	0 8½	“	0 9
Shropshire Fleeces	0 10½	“	0 11½
Down Togs	0 10½	“	1 1
“ Ewes	0 10	“	0 11½
Irish Hogs	0 10	“	0 11½
“ Wethers	0 8	“	0 10
Welch and Radnor fleeces	0 6½	“	0 8½
Scotch, etc.—			
White Highland, washed	0 6	“	0 7
“ “ unwashed Hogs	0 5½	“	0 6½
“ “ Ewes, etc.	0 5½	“	0 6
Herdwicks	0 5	“	0 6
Domestic Skin —			
English Hogg and Wether	0 8	“	0 9
“ Lamb	0 7½	“	0 8½
“ Carling, Head, etc.	0 5	“	0 6½
“ Grey, etc.	0 2	“	0 5
Scotch Pick	0 10	“	0 11
“ Lester	0 7½	“	0 9
“ Haslock	0 7	“	0 8
“ Light Grey	0 5½	“	0 6½
“ Dark Grey	0 4	“	0 5

Clothing Wools.

Colonial [Merino] —			
Sydney, greasy superior	1 1½	“	1 2
“ “ average to good	1 0	“	1 ½
Port Phillip, greasy superior	1 3	“	1 4
“ “ average to good	1 1	“	1 2
New Zealand, superior	1 0	“	1 1
“ “ average to good	0 10½	“	0 11½
Cape Western, greasy good to super	0 9½	“	0 10½
“ Eastern “ “	0 8½	“	0 9½
“ Natal “ “	0 8	“	0 9

Colonial [Crossbred] —			
Victoria, greasy fine	1 1½	“	1 2½
“ “ medium	0 9½	“	0 10
“ “ coarse	0 7½	“	0 8½
New Zealand, greasy fine	1 0½	“	1 1½
“ “ medium	0 9	“	0 10
“ “ coarse	0 7	“	0 8½

River Plate —			
Monte Video Merino, unwashed	0 9	“	0 10½
“ “ Mestizo No. 1 and 2	0 9	“	0 10½
“ “ Crossbred	0 8	“	0 10½
“ “ Lincoln	0 7	“	0 8½
Buenos Ayres Merino, unwashed	0 7½	“	0 8½
“ “ Mestizo No. 1 and 2	0 7½	“	0 9
“ “ Crossbred	0 6½	“	0 8½
“ “ Lincoln	0 6	“	0 8½
Cordova and Creolla, unwashed	0 5	“	0 5½

		Per pound.			
		s.	D.	s.	D.
West Coast of South America —					
Peruvian, washed Merino.....		0	10½	@	1 1¼
“ “ No. 1.....		0	9	“	0 10¾
“ “ No. 2.....		0	6¼	“	0 6¾
“ “ grey and black.....		0	6½	“	0 9
Lima, unwashed good white.....		0	6	“	0 7½
“ “ black and mixed.....		0	3	“	0 4½
Chili, “ Merino.....		0	5	“	0 7½
“ “ Mestizo and Doma.....		0	5	“	0 7
“ “ Creolla.....		0	4½	“	0 5½
Peninsular —					
Spanish, unwashed Merino....		0	4½	“	0 6
“ “ black and brown.....		0	4	“	0 6½
Portuguese, unwashed white.....		0	3	“	0 6½
“ “ fine black and brown.....		0	4½	“	0 7
African —					
Saffi and Mazagan, washed.....		0	7½	“	0 8½
Rabat and Mogador, “.....		0	7¼	“	0 11½
Rabat Abudia, unwashed.....		0	4	“	0 4½
Larache “.....		0	4¼	“	0 4¾
Mazagan and Casablanca.....		0	3	“	0 4

Foreign Carpet and Similar Wools.

East India —					
Joria, white, good.....		0	7¾	“	0 9
“ yellow “.....		0	7½	“	0 8¼
“ grey, fawn, etc.....		0	4½	“	0 7
Vicanere, white, good.....		0	7½	“	0 8¾
“ yellow “.....		0	7½	“	0 8¼
“ ginned.....		0	3½	“	0 5¾
Kandahar, white, good.....		0	7½	“	0 8¼
“ “ middling.....		0	6½	“	0 7¼
“ “ pieces.....		0	5	“	0 6
“ yellow.....		0	5½	“	0 6¼
“ light grey.....		0	4	“	0 6
“ dark “.....		0	3½	“	0 5½
Middling (Pakpatan, etc.) white.....		0	6	“	0 7
“ “ yellow.....		0	5¾	“	0 7
“ “ grey.....		0	3	“	0 3½
Coarse (Marwar, etc.) white.....		0	5½	“	0 6½
“ “ yellow.....		0	3½	“	0 5½
“ “ grey.....		0	2	“	0 3½
Bussorah, white and yellow.....		0	4	“	0 5
“ grey and fawn.....		0	3	“	0 4
“ black and brown.....		0	3½	“	0 4½
Native Skin, white and yellow.....		0	3	“	0 4½
“ colors.....		0	1	“	0 3½
Goat Hair, white.....		0	2	“	0 4½
“ grey.....		0	0½	“	0 4½
“ black.....		0	1	“	0 5
Thibet (Calcutta) 1st white.....		0	6	“	0 6½
“ “ 2d “.....		0	4	“	0 5
“ “ colors.....		0	3½	“	0 5
Persian —					
Bagdad, white, good.....		0	5¾	“	0 6½
“ fawn, “.....		0	5¼	“	0 6
“ brown and black.....		0	5¼	“	0 6

		Per pound.			
Persian, <i>continued</i> —		s.	d.	s.	d.
Bagdad, grey and mixed	0	4 $\frac{1}{2}$	@	0	5 $\frac{1}{2}$
“ white, ordinary	0	5	“	0	5 $\frac{1}{2}$
“ colors, “	0	3 $\frac{1}{2}$	“	0	5
Awassi and Karadi, white	0	5 $\frac{1}{2}$	“	0	7 $\frac{1}{2}$
“ “ colors	0	3 $\frac{1}{2}$	“	0	5 $\frac{1}{2}$
Russian, etc. —		Nominal			
Donskoi, fair average combing	0	7 $\frac{1}{2}$	@	0	8 $\frac{1}{2}$
“ white carding	0	6	“	0	7 $\frac{1}{2}$
“ lambs	0	5 $\frac{1}{2}$	“	0	6 $\frac{1}{2}$
“ grey and black	0	4 $\frac{1}{2}$	“	0	5
“ washed white, autumn	0	5 $\frac{1}{2}$	“	0	6 $\frac{1}{2}$
“ grey and black, “	0	4 $\frac{1}{2}$	“	0	5
Georgian, unwashed white fleece	0	5 $\frac{1}{2}$	“	0	6
“ “ grey, etc., fleece	0	3 $\frac{1}{2}$	“	0	4 $\frac{1}{2}$
“ “ lambs	0	5 $\frac{1}{2}$	“	0	6
“ “ white autumn	0	5 $\frac{1}{2}$	“	0	6
“ “ grey, etc., autumn	0	3 $\frac{1}{2}$	“	0	4 $\frac{1}{2}$
Khorassan, washed white fleece	0	6	“	0	6 $\frac{1}{2}$
“ “ colors	0	3 $\frac{1}{2}$	“	0	4 $\frac{1}{2}$
“ “ white autumn	0	5	“	0	6
“ “ colors	0	3	“	0	4
Turkestan, washed white	0	5 $\frac{1}{2}$	“	0	6
“ grey and black	0	3 $\frac{1}{2}$	“	0	4 $\frac{1}{2}$
Bokhara, washed white	0	6	“	0	7
“ “ grey and black	0	4	“	0	5
Calmuc fleece	0	2	“	0	4
Iceland —		Nominal			
Northern fleece	0	7 $\frac{1}{2}$	@	0	8 $\frac{1}{2}$
Southern “	0	7	“	0	7 $\frac{1}{2}$
Grey and black	0	4 $\frac{1}{2}$	“	0	5 $\frac{1}{2}$
Levant —					
Egyptian, extra white fleece	0	8 $\frac{1}{2}$	“	0	9
“ 1st “ “	0	6 $\frac{3}{4}$	“	0	8
“ extra yellow “	0	0	“	0	7 $\frac{1}{2}$
“ 1st “ “	0	6	“	0	7
“ black, fawn, and grey	0	4	“	0	6 $\frac{1}{2}$
“ white skin	0	5	“	0	6 $\frac{1}{2}$
“ yellow “	0	4	“	0	6
“ grey, etc., skin	0	2	“	0	5 $\frac{1}{4}$
Syrian and Mossoul, washed white	0	6 $\frac{1}{2}$	“	0	10
“ “ grey	0	5	“	0	5 $\frac{1}{2}$
“ “ unwashed	0	3	“	0	4 $\frac{1}{2}$
Smyrna, washed white	0	6	“	0	7
“ “ grey	0	4 $\frac{1}{2}$	“	0	5 $\frac{1}{2}$
“ unwashed	0	4	“	0	6
Angora, etc., washed white	0	6	“	0	7
“ “ grey	0	4	“	0	5
“ unwashed white	0	4 $\frac{1}{2}$	“	0	6

Foreign Carpet and Similar Wools.

Levant —					
Kassapbatchia	1st white skin	0	5	“	0 6
“	2d “ “	0	4	“	0 5
“	3d “ “	0	2 $\frac{1}{2}$	“	0 3
“	1st colors	0	4	“	0 4 $\frac{3}{4}$
“	2d “ “	0	3	“	0 4
“	3d grey	0	2	“	0 3

		Per pound.			
		S.	D.	S.	D.
<i>Levant, continued —</i>					
Adrianople, etc., 1st white fleece	.....	0	5	@	0 5½
“ 2d “ “	.....	0	4	“	0 4½
“ 1st colors “	.....	0	4	“	0 5
“ 2d “ “	.....	0	3	“	0 4
Varna (Zegai) 1st white fleece	.....	0	5	“	0 5½
“ 2d “ “	.....	0	3½	“	0 4
“ 1st colors “	.....	0	4	“	0 4½
“ 2d “ “	.....	0	2½	“	0 4
Mattress, ordinary white	.....	0	2	“	0 3
“ “ colors	.....	0	1	“	0 2
<i>Portuguese —</i>					
Oporto, assorted fleece, extra	.....	0	8	“	0 9
“ “ “ average	.....	0	6¾	“	0 7¾
“ “ yellow	.....	0	5½	“	0 7
“ “ lambs	.....	0	5	“	0 6
“ “ black fleece	.....	0	5	“	0 6
“ “ “ pieces	.....	0	4	“	0 4½
Castel Branco, scoured white fleece	.....	0	8½	“	0 9½
“ “ yellow “	.....	0	7½	“	0 8
“ “ ordinary yellow white	.....	0	8	“	0 9
“ “ “ pieces	.....	0	5½	“	0 7½
“ “ lambs	.....	0	6	“	0 7
<i>Sundries.</i>					
<i>Alpaca —</i>					
Arequipa fleece	.....	1	4¾	“	1 5½
Tacna, Chala, and Callao fleece	.....	0	9	“	1 3
Huarizo and Llama	.....	0	9	“	1 1
Short, Seconds, etc.	.....	0	8	“	0 10¾
Locks and pieces	.....	0	3½	“	0 6¾
<i>Mohair —</i>					
Fair average fleece	.....	1	3	“	1 4
Kastamboul	.....	1	2	“	1 3
<i>Cashmere —</i>					
China	.....	0	5¾	“	1 3
East India	.....	0	5½	“	0 6½
Russian	..... nominal	1	5	“	1 6
<i>Camels' Hair —</i>					
Russian	.....	0	5¾	“	0 7½
China	.....	0	6	“	0 11
<i>Cattle Hair —</i>					
White	.....	0	5	“	0 7½
Red and black	.....	0	1¼	“	0 4
<i>Noils, etc. —</i>					
English White, good	.....	0	10½	“	0 11½
“ “ middling	.....	0	7½	“	0 8½
Scotch “ etc.	.....	0	5¼	“	0 6¼
Botany “ good	.....	1	3	“	1 6
“ “ middling	.....	0	11½	“	1 2
Crossbred “ good	.....	0	10½	“	0 11½
“ “ middling	.....	0	7½	“	0 9½
Foreign “ medium	.....	0	5	“	0 6½
“ “ colors	.....	0	2	“	0 5

	Per pound.			
	s. d.		s. d.	
Noils. etc., <i>continued</i> —				
Waste, garnetted white, fine	1	2	@	1 6
“ “ “ medium	0	9½	“	0 10½
“ Laps, Rovings, Rings, etc.	1	0	“	1 6
“ Botany Spinning, Thread, etc.	1	2	“	1 4
“ English and Crossbred Spinning, Thread, etc., 0	9		“	0 10
Sheepskins —				
M. Video, Mo., well wooled	0	7	“	0 8
“ No. 1 “	0	7	“	0 8
“ No. 2 “	0	6	“	0 7½
“ short and inferior	0	5	“	0 6½
B. Ayres, Mat. Mo., well wooled	0	5½	“	0 6½
“ “ No. 1 “	0	5½	“	0 6¾
“ “ No. 2 “	0	6	“	0 7
“ “ Crossbred	0	5	“	0 6¾
“ Camp. Mo. and No. 1	0	5½	“	0 6½
“ “ short and inferior	0	4	“	0 5

EXCHANGE CHAMBERS, SIXTETH STREET,

Per “Campania,” R.M.S. LIVERPOOL, 2d January, 1909.

The closing month of the year may have caused disappointment in some respects, but against the revival of confidence must be reckoned the usual slackening off in business towards holiday and stock-taking time, and it is satisfactory to see that, outside of shipbuilding and kindred industries, an amount of activity is noticeable nearly everywhere, which gives fair hopes of development in the new year.

Domestic Wools. — A well-sustained demand from the United States for choice qualities has been a stimulating influence, and holders are disinclined to entertain offers for anything except at fully former rates. Black-faced Scotch is wanted, but business is checked by the exalted ideas of farmers. Shipments from the Clyde since last report are called nearly 6000 bales, and stocks are now lower than usual.

Colonial Wool. — The sixth and final series of auctions in London for this year finished on the 12th ultimo. 169,000 bales having been sold out of 176,000 bales catalogued, and only 11,000 bales (partly unoffered stock) were held over. A feature worth notice was the good clearance made, including a fair quantity which had been on hand since the early part of the year. The home trade secured 69,000 bales, the Continent 85,000 bales, and America 15,000 bales. There was a full attendance of buyers throughout, but a little relaxation of demand in the latter part of the series knocked off some of the improvement which had gathered force in the first fortnight, especially in coarse cross-

breeds. The net result was a rise from September–October prices of $7\frac{1}{2}$ per cent on most Merinos, with 10 per cent on such as suited America, $7\frac{1}{2}$ per cent on fine crossbreeds, and quite 10 per cent on stronger qualities as a rule.

River Plate Wools — About a couple of hundred bales, chiefly Monte Video, were placed here privately, and at auction on the 22d ultimo 2160 bales Buenos Ayres and 1145 bales Monte Video were disposed of with very brisk competition, some being taken for America, while coarse Crossbreeds, Lincolns, etc., were keenly wanted by Yorkshire users. Compared with similar grades of Colonial Wool, Merinos and fine Crossbreeds made very firm rates, and others an advance of 5 to $7\frac{1}{2}$ per cent. The next auctions here will be held on the 15th instant, and about 2500 bales should be available.

In Antwerp importers prefer to hold new arrivals for auction on the 12th instant, and nothing of moment was done; the terminal market for Merino Wool Tops has been active and agitated, near quotations moving between f.5.25 and f.5.40 per kilo, and leaving off at the latter figure.

Foreign Medium and Coarse Wools. — Expectations of extended outlets for low goods, blankets, carpets, etc., have hardly been fully realized, and manufacturers are chary about increasing their stocks of the raw article. Quotations, however, hardened in the moderate turn-over here, which included 100 bales of Egyptian, in odd lots, with a few Syrian, etc., 700 to 800 bales Portugal, Oporto fleece $7\frac{1}{2}$ d. to $7\frac{3}{4}$ d. per lb., yellow and lambs $5\frac{1}{4}$ d. to $5\frac{3}{4}$ d. per lb., 100 bales Morocco, washed fleece $8\frac{1}{4}$ d. to $11\frac{1}{2}$ d. per lb., 200 bales Chili, unwashed fleece $6\frac{1}{2}$ d. to 7d. per lb., skin $5\frac{1}{4}$ d. to $5\frac{3}{4}$ d. per lb., 700 bales Peruvian washed fleece $6\frac{1}{2}$ d. to $12\frac{1}{4}$ d. per lb., 500 bales East India, etc.

The next regular auctions here will begin on the 19th instant and occupy three days, when about 19,500 bales East India wool will be brought forward.

In London, China Camels' Hair attracted attention at stiffer rates, and nearly 150 bales went into consumption at 6d. to 11d. per lb., while 400 bales Sheep and Lambs made full late rates, $2\frac{3}{4}$ d. to 8d. per lb., and 300 bales Bagdad colors $5\frac{1}{2}$ d. to $5\frac{3}{4}$ d. per lb.

The Customs' list of *Exports* hence to the United States for

December includes 8534 bales British, 14,577 bales Foreign Wool, and 158 bales Mohair; to Canada 944 bales Wool, etc.

Alpaca. — A very slow demand leaves prices nominally unchanged, sales embracing 200 bales fair Arequipa fleece at 17¼d. per lb. with 100 bales Chala and Callao fleece, and 400 bales various inferiors at proportionate rates.

Mohair. — An almost complete neglect, except for extra fine qualities, makes it difficult to gauge the position of the article, which it is hoped will secure more attention again before long.

Sheepskins. — About 150 bales River Plate, chiefly poor camps, sold publicly at ¼d. to ½d. per lb. better than a month previously, and a good choice will be afforded on the 29th instant, when 700 to 800 bales of well wooled Buenos Ayres will be catalogued.

RONALD & RODGER,
Wool Brokers.

Bank Rate, 2½ per cent.

AN ANALYSIS OF THE REPORT ON THE "MANUFACTURE OF WOOLEN, WORSTED, AND SHODDY IN FRANCE AND ENGLAND, AND JUTE IN SCOTLAND," MADE TO THE BUREAU OF MANUFACTURES OF THE DEPARTMENT OF COMMERCE AND LABOR, BY MR. W. A. GRAHAM CLARK, SPECIAL AGENT OF THE DEPARTMENT, ON NOVEMBER 1, 1908.

COVERING ALSO THE TESTIMONY OF MR. CLARK BEFORE THE COMMITTEE ON WAYS AND MEANS ON DECEMBER 11 AND 22, 1908, SO FAR AS THEY RELATE TO THE MANUFACTURE OF WOOL IN ENGLAND AND THE UNITED STATES.¹

THE object of this analysis is, if possible, to aid the Committee on Ways and Means in arriving at a clear determination of what there is that is new and of value as to comparative costs of manufacture in the wool manufacturing industry in Great Britain and the United States, in the report² of Mr. W. A. Graham Clark, Special Agent of the Bureau of Manufactures of the Department of Commerce and Labor, submitted on November 1, 1908: and in the testimony³ of Mr. Clark⁴ before the Committee on December 11 and 22, 1908.

It is supposed that the Bureau of Manufactures was established primarily for the purpose of collecting information which might be of assistance to the manufacturing industries of this country. It is, therefore, natural to presume that information obtained with this object in view would be collected with such care and accuracy as to leave no question as to its absolute impartiality and reliability. It is because of this presumption in favor of the work of Mr. Clark as an expert, selected to collect such information for a government department, that much of interest and practical value to the wool manufacturing industry of this country would be expected in his report. While it is

¹ For a summary of this analysis see p. 179.

² References to this report will be by the word "Report."

³ References to testimony before the Committee on Ways and Means will be to the First Print and by folio number and page.

⁴ First Print No. 31, p. 4490; No. 41, p. 5939.

true that much of the information reported by him is interesting from a general standpoint, it is nevertheless to be regretted that a careful reading of his report shows that his data as to comparative costs cover such a narrow field, contain so many inaccuracies, and are based so little on actual manufacturing experience, as to raise a serious question as to its practical value.

We shall confine our attention to such errors as we deem of sufficient importance to call to the attention of the Committee.

THE ENGLISH WOOLEN INDUSTRY.

There can be no question that the wool manufacturing industry in England, which Mr. Clark was asked to investigate in two short months, is a matter of such intricacy and difficulty as to tax the knowledge and life-long experience of the most skilled and best informed manufacturers. Any doubt on this point must be dispelled by Mr. Clark's own description of the condition of that industry in England. He writes as follows :

"Employment in all branches of the wool industry is more or less irregular, for not only are there good and bad years, but the fluctuations of the demand for various kinds of wool manufactures sometimes throw a whole locality making some speciality into the depths of distress, and at the same time perhaps raise another to the heights of prosperity. This changing demand sometimes acts only between towns making various specialties and at others affects a whole country. When there is a great demand for very soft draping goods, France is prosperous and England can hardly keep her mills going, while, when the demand is for firmer worsteds and tailor-made goods, England will be prosperous and perhaps France losing ground. Sometimes woolen goods are in demand and then worsteds. One season the all-wool goods may bring in the most profit and another season, with high-priced wool, only the sections making mixed goods can show any profit at all. The wool industry is thus subject to many fluctuations, and in that sense is not a stable industry as are, for instance, certain branches of the cotton trade making staple cloths that are in demand year in and year out. In the wool trade there have to be new styles gotten out for the summer and winter, and the demand of the public for variety is growing all the time, so that the mills have to employ a larger number of men in their designing and sales departments, which adds to the cost."¹

¹ Report, pp. 59-60.

The President of our Association informed you as follows :

"There are very few, if any, woollen fabrics that can be considered staple fabrics. Such as might possibly be so regarded are not made exactly alike by either foreign or domestic manufacturers ; nor are they made exactly alike by the same manufacturers for a continuous period. So-called staple fabrics are nearly always undergoing changes of construction in conformity with the varying quantities and character of raw-wool production and changing prices to meet the demands of buyers to produce garments at fixed prices. The variety of fabrics included under the classifications of Schedule K is so extensive that they cannot be enumerated, much less compared."¹

" . . . In this connection it is necessary to consider the infinite variety of patterns, styles, colorings, and combinations embraced in this immense variety of fabrics, all of which are constantly changing under the capricious dictates of fashion."²

COMMON BASIS OF FACT NECESSARY FOR COMPARISON OF COSTS.

There would also seem to be no question but that data as to comparative costs of manufacture in different countries, to be of practical value, must be collected in accordance with some common basis and standard of calculation. In the statement made before your Committee by the President of our Association, we gave you as a reason for not furnishing you with information relating to comparative costs of production of woollen goods in foreign countries and in the United States, that *it is not obtainable*, and we tried to show that a comparison of foreign and domestic costs is not practicable.³ We feel confident that a careful scrutiny of Mr. Clark's report and testimony fully bears out this contention.

At the very outset of any inquiry into comparative costs, we are, as our President stated to the Committee, confronted with the fact that :

"Every avenue of information regarding the foreign wool manufacture is jealously guarded from American inquiry by foreign manufacturers ;"⁴

and by the fundamental questions :

¹ First Print No. 24, p. 3300.

² Id., p. 3301.

³ Id., pp. 3300-1.

⁴ Id., p. 3300.

“ . . . What is the cost of production and what is meant by the relative cost of production in different countries ? ” ¹

It must also be clear as stated by him, that :

“ . . . in order to determine the actual cost it will be found necessary to establish a given basis for calculations in order to make the comparisons of value.” ¹

We cannot emphasize too strongly the great inherent difficulties in the way of the most highly qualified expert in obtaining trustworthy information as to foreign costs in this industry, not only because of its difficult and complex nature, and the natural jealousy with which English manufacturers guard their trade secrets and processes from our manufacturers and each other, but also because of the natural desire of such foreign manufacturers to have the protective tariff of this country broken down, in order to open our markets to their goods. For the latter reason, if for no other, any information as to foreign costs which any foreign manufacturer might seem willing to disclose should be subjected to the most careful scrutiny and analysis as to its sources, the possible selfish motive back of it, and the basis upon which such costs were determined.

COMMON STANDARD OF COMPARISON NECESSARY.

It is naturally a source of surprise that Mr. Clark, who was selected by the Bureau of Manufactures for this difficult task, should neither have had previous experience in the industry, nor, so far as we know, sufficient if any knowledge as to costs of manufacture in this country, to have made it possible for him to collect information abroad in accordance with any common fixed standard or basis for determining such costs.

Disclaiming any purpose to criticise Mr. Clark personally, we deem it necessary to point out that he was apparently sent abroad for entirely different purposes, and was, as an afterthought, and without opportunity for preparation, given the task of investigating the wool industry in Great Britain and Europe upon completion of the special work for which he had been particularly sent abroad. The time allowed him, two months, was altogether

¹ First Print No. 24, p. 3301.

inadequate. He testified as to the purpose of his trip abroad as follows :

"I have just returned from a twenty-eight months' trip, having been investigating the markets for cotton manufactures in Asia and the methods of cotton manufacturers in Europe, and for the last two months I have been working specially on getting information from the English wool mills in regard to their cost of manufacture for the use of this committee."¹

He also stated to the Committee that he was called from Scotland while investigating the jute industry to take up the woolen business, and that he had been a practical cotton manufacturer for six years.² His knowledge of the entire industry is apparently limited to that obtained by him by having

"been through lots of woolen mills" while abroad "and studied the process," and "talked with the manufacturers."²

His information as to the English industry is apparently limited to that obtained by visits to Bradford, Huddersfield, and possibly Leeds.

RELATIVE ADVANTAGES OF WOOL MANUFACTURERS OF ENGLAND OVER OUR MANUFACTURERS.

As we have before stated, some of the information given by Mr. Clark is interesting, and some in a general way true. We regard it as undoubtedly true, as he states,³ that English wool manufacturers have the following advantages over our wool manufacturers: (1) cheaper first cost of machinery and building; (2) cheaper money; (3) cheaper raw material; (4) cheaper labor; (5) cheaper power; and (6) cheaper supplies. While we agree with Mr. Clark's general conclusions on this matter, he fails to furnish us with sufficient reliable data upon which to determine the relative advantages as to any of the particular items. This we shall now endeavor to show to the Committee.

CHEAPER FIRST COST OF MACHINERY AND BUILDING IN ENGLAND.

On p. 4490, First Print No. 31, Mr. Clark states that our machinery and costs of building are at least one-fourth, or 25

¹ First Print No. 31, p. 4490. ² Id., No. 41, p. 5946. ³ Report. Letter of submittal, p. 5.

per cent higher than in England; while on p. 4492 he states that English machinery is from one-third to one-half cheaper than ours, a difference of from 50 per cent to 100 per cent. Such a wide margin of variation can hardly be based on sufficiently accurate information to be of aid to the Committee.

CHEAPER RAW MATERIAL IN ENGLAND.

As to wool as a raw material, Mr. Clark apparently has no first-hand information. He testified as to his knowledge of Rocky Mountain wools, which constitute the greater proportion of the wool raised in the United States, as follows:

“I have no actual knowledge excepting what is contained in the textile magazines and papers and what I have learned from talks with men in the business.”¹

He states that —

“The different wools vary so in quality that a cost comparison between England and America is difficult to make. In London in 1907 fine greasy Australian crossbred wool averaged 30 cents a pound, and in Boston similar wool from Pennsylvania averaged 68 cents a pound, which gives some basis of comparison.”²

It is difficult to understand why wool worth 30 cents in London could not be landed in Boston at 30 cents a pound plus 11 cents duty and other expenses of importation, probably not over 1 1/2 cents a pound.

It would seem clear that Mr. Clark's knowledge in regard to wool is too indefinite to be of practical assistance.

But in spite of this fact he undertakes to make the general statement³ that the shrinkage of wools in general used by our manufacturers would not be two-thirds ($\frac{2}{3}$), but would run from 50 per cent to 60 per cent. This shrinkage is too small and Mr. Clark's statement is erroneous. The actual facts in this matter, so far as an average can be struck, are covered by the information already given to the Committee by our Association.

LABOR CHEAPER IN ENGLAND BY ONE-HALF OR MORE.

While Mr. Clark's statement that labor is much cheaper in England is correct, he again furnishes no accurate data on which

¹ First Print No. 41, p. 5947.

² Id., No. 31, pp. 4490-1.

³ Id., No. 41, p. 5948.

to base a comparison. Our President stated to you that on information received the night before he appeared before the Committee, so far as he was able to judge —

“ . . . the wages in the worsted and woolen industry in Great Britain are about one-half, rather less than one-half, the wages paid in New England and Pennsylvania.”¹

This cost, however, was limited to wages of operatives. On the subject of wages of wool industry in England, Mr. Clark says that —

“ . . . the industry is so complex and changeable that even if organized it would be difficult to secure any uniform scale of wages.”²

In his report to the Bureau of Manufactures he said :

“In the wool industry there is not only a great difference between the two branches of woolen manufacturing and worsted manufacturing, but in each case there is wide room for variations in methods and in number of machines employed.”³

“There is a great variety of materials employed and in the qualities and proportions of mixture of these materials, with consequent variation in production per machine; and as neither the employers nor the employees are strongly organized there is an absence of any universally accepted wage schedules.”⁴

As to the table of wages in the Bradford District given, Mr. Clark says :

“The foregoing wages may be taken as typical of the Bradford worsted industry, but there is more or less variation between the mills in the town and in the country, and there is no uniformity even between two mills running side by side.”⁵

To the Committee he stated as to women's dress goods and their manufacture in Bradford :

“I have not the complete wage cost throughout on that because the worsted industry is a very special industry.”⁶

It must be clear that in a matter of such difficulty and intricacy

¹ First Print No. 24, p. 3308.

² Id., No. 31, p. 4491.

³ Report, p. 41.

⁴ Id., p. 41.

⁵ Id., p. 47.

⁶ First Print No. 31, p. 4496.

as the wages question, Mr. Clark on his own statements has furnished nothing of definite value as a basis for comparison.

CHEAPER COSTS IN ALL OTHER ITEMS.

According to Mr. Clark these other items of cost cover everything after the yarn and the weaving, and include dyes, chemicals and other supplies, charges on money, interest on capital, insurance and depreciation. In one place in his testimony¹ he gives these costs in England as 5 cents a yard, as against 4.2 cents in the United States, and in another place² he gives these expenses both in England and the United States as 4.2 cents, apparently on the same fabric. He figures out this equality or advantage on the part of the United States, although he had previously stated to the Committee that:

“ . . . in general everything that enters into the cost of manufacture of woolen and worsted goods is cheaper in England than America.”³

Such discrepancies between conclusions, and what purport to be facts, indicate the danger of using any of his work as a basis for legislation. A few more specifications will confirm this.

HIGH COST OF CLOTHES NOT DUE TO HIGH WOOL, BUT TO TAILOR.

Mr. Clark stated to the Committee:

“ High clothes are due more to high wool than to high wages.”⁴

Unless the word “clothes” has been erroneously substituted for cloths, he is clearly in error. It must be clear that the difference between the cost of the cloth in the manufacturer's hands and the cost of the finished suit of clothes in the tailor's hands is due almost entirely to labor cost, and that even then the additional cost depends largely upon the name and charges of the particular tailor. It is also to be observed that the difference between the cost of a suit of clothes in New York, given by Mr. Clark as \$35, and the cost of a similar suit of clothes in Leeds, which he stated⁵ as from about \$20 to \$25, is not as great proportionately as the difference between the costs

¹ First Print No. 31, p. 4497.

² Id., No. 41, p. 5939. See also Report, p. 88, “Sample A.”

³ Id., No. 31, p. 4491.

⁴ Id., p. 4490.

⁵ Id., p. 4491.

of manufacture in the two countries, as to which the English cost is given by Mr. Clark as about one-half or less.

Mr. Clark also stated ¹ that wool makes up 60 per cent of the cost of the goods. The general understanding among manufacturers is that the wool makes up 50 per cent of the cost of the cloth, and that the cloth represents about 50 per cent of the cost of a suit of clothes, in the wholesale clothing business. The result would be that the wool would represent only about 25 per cent of the cost of the clothes. A suit of clothes which costs about \$13 would ordinarily be sold at retail for about \$22. Furthermore, the question is complicated by the varying profits and selling expense connected with each stage of manufacture. The fact is that the proportion of wool in the cloth varies so, because of the immense and constantly changing variety of fabrics in which it is used, that it is impossible to strike an average, and the question of such proportion is a matter solely of individual opinion. The lack of specific data furnished by Mr. Clark confirms this fact. It must also be noted that he ignores entirely in his calculation what a large part labor represents in the cost of the wool.

INACCURATE COMPARISON OF CONSUMPTION OF WOOL IN GREAT BRITAIN AND THE UNITED STATES.

Mr. Clark's statement and table ² as to materials used in the wool industry in Great Britain and the United States contains two important errors. The table is as follows :

	United States Government Prod. Census, 1905.		English Estimates, 1907.	
	<i>Value.</i>	<i>Per cent.</i>	<i>Value.</i>	<i>Per cent.</i>
Wool and hair	\$648,881,691	65	\$640,300,000	63
Shoddy	191,261,993	19	210,000,000	22
Cotton	102,743,256	10	125,000,000	12
Others (silk lining, jute, etc.)	58,446,835	6	60,000,000	6
Total	\$1,001,333,775		\$1,035,300,000	

The columns headed "Value" should clearly represent pounds of weight. The figures as to the United States are taken from

¹ First Print No. 31, p. 4490.

² Id., p. 4492.

the census of 1905. An analysis of these figures will show that Mr. Clark has included twice in his table, 70,851,994 pounds of shoddy and 5,720,319 pounds of cotton, which were produced from materials purchased otherwise reported, or from waste and clippings arising in the process of manufacture already once reported.

INACCURATE USE OF STATISTICS AS TO WOOL CONSUMPTION.

Mr. Clark states that :

“The per capita consumption of wool is increasing in the United Kingdom, and is not increasing in the United States.”¹

In support of his contention that the consumption of raw wool in the United States is not increasing he gives a table taken from the Statistical Abstract U.S. 1907. In using this table Mr. Clark does not take into consideration the fact that while the United States exports a very small quantity of wool manufactures, it imports a considerable quantity of such manufactures, as indicated by a table² in the statement made by our President before the Committee, showing an increase of imports of manufactures of wool entered for consumption under the present tariff during the fiscal years ending June 30, 1898 to 1907, or from \$13,500,241 to \$22,357,206 foreign values, or from \$24,150,565 to \$42,349,232 duty paid values. These imports of manufactures must clearly be included in any determination of the per capita consumption of wool in the United States.

The following is a table compiled from the census reports of 1890, 1900, and 1905 showing the quantity of “new wool in condition purchased” (*i.e.*, greasy or scoured), exclusive of Alpaca, Angora, Camel and all other hairs, used in the United States Wool Manufacture, including Hosiery, Knit Goods, and Shoddy, with the population of the United States and per capita consumption as shown by the wool used :

¹ First Print No. 31, p. 4493.

² *Id.*, No. 24, p. 3305.

	New Wool "in Condition Purchased."	Population.	Per Capita Con- sumption in Mills.
	<i>Pounds.</i>		
1890	374,102,813	62,662,250	5.97 pounds.
1900	412,745,779	76,303,387	5.41 "
1905	501,424,203	83,143,000	6.03 "

These figures, of course, show a smaller per capita consumption than Mr. Clark's, because they cover only new wool, while the figures used by him included other items. He obtained his figures as to the United Kingdom from the table of the Bradford Chamber of Commerce Report for 1907,¹ which purports to show the total quantity of wool *retained* in the United Kingdom and not the quantity consumed. Part of the wool retained might afterwards be exported either in a raw or manufactured condition. An examination of this table will further show that there is included in the wool 210,000,000 pounds of shoddy. Furthermore, in using this table as a basis for comparison of relative consumption of wool, it must be borne in mind that while the United States exports a very small quantity of wool manufactures, Great Britain exports, on Mr. Clark's figures, about 40 per cent of its entire production, amounting to \$185,600,000 in 1907.

OUR IMPORTS OF WOOL MANUFACTURES — PERCENTAGE.

He states² that our imports of wool goods are less than 5 per cent of our requirements. He figures on the foreign value of the goods, rather than on the basis of the foreign value plus duty, which would indicate the amount to which such goods displace domestic goods, and would, therefore, seem to be the proper basis to be used in considering the effect of a tariff. On this basis the percentage of imports would be slightly less than 10 per cent, and Mr. Clark's own figures show a little more than 5 per cent, instead of a little less than 5 per cent, as he states.

He makes the unsupported statement³ that cotton goods are sold in this country as wool goods. This is not true in so far as

¹ First Print No. 31, p. 4494.

² Id.

³ Id.

the manufacturers are concerned, and Mr. Clark must have been misinformed.

DUTY ON YARN NOT HIGHER THAN DUTY ON CLOTH — PERCENTAGES FALLACIOUS.

In referring to a piece of finished English cloth and its constituent elements, Mr. Clark states ¹ that the duty on the yarn in this cloth is higher than the duty on the cloth itself and that the duty on the tops is much higher than the duty on the scoured wool. This statement as to the duties on the yarn and cloth is incorrect and misleading. It gives a striking illustration of the fallacies which may result from using percentages, and corroborates the statement ² made by our President on cross-examination at the time he made our original statement.

Assuming the percentages as stated by Mr. Clark to be correct the actual duty would be as follows :

On scoured wool	33	cents per pound.
“ tops.....	70 27	“ “ “
“ warp yarn... ..	65 23	“ “ “
“ weft yarn	62.34	“ “ “
“ cloth.....	96.23	“ “ “

That is, Mr. Clark is wrong in saying that the duty on the yarn is higher than the duty on the cloth. It is well known that the increased duty on tops, as compared with the duty on yarns, was intended to prevent the importation of wool in that form.

COMPARISON OF MEN'S AND WOMEN'S WAGES SHOULD NOT BE WITH EACH OTHER.

The comparison made ³ between the weavers' wage based on the average in Huddersfield and Bradford, and what Mr. Clark calls the average of \$9 in this country, emphasizes the insufficiency of the information obtained by Mr. Clark as a basis for comparison of costs. To make a comparison, the weavers' wage in Huddersfield of \$6 a week for work on wide men's wear looms, and probably confined to men as weavers, should be compared with the weavers in this country on similar fabrics where

¹ First Print No. 31, p. 4495.

² Id., No. 24, p. 3338.

³ Id., No. 31, p. 4497.

it is almost universally a man's job and where the earnings are more likely to be from \$14 to \$18, than as low as \$9. On the other hand, \$9 to \$12, which might be called the wage on dress goods in this country, as he states, might properly be comparable with \$3.75 in Bradford.

MANY OTHER INACCURACIES.

The following inaccuracies appear in Mr. Clark's testimony at his second appearance before the Committee:

In figuring the cost of "Sample A," the report repeatedly states¹ the cost in terms of pounds, when it should be the cost in a yard of cloth.

He states² that ordinarily there would not be more than 66 $\frac{2}{3}$ per cent of wool in the filling on a pure cotton warp. As a matter of fact, the wool filling is frequently 70 per cent or more.

He states³ that a rag machine will tear rags into their "original fiber." It is not possible to obtain the original fiber at anywhere near its original length.

He states⁴ that shoddy cannot be used by itself. As a matter of fact it is used alone in some fabrics.

He states⁵ that there is a larger percentage of shoddy and cotton being used in the woolen manufactures of this country every year. This is a matter which varies much according to style.

He states⁶ that a suit of clothes at \$25 in this country would not probably be altogether new wool. As a matter of fact, navy and black summer serge suits, which contain no shoddy, sell for about \$15 and sometimes for less.

We hand to the Committee herewith two all wool suits, one purchased at retail in New York City for \$20, and the other purchased in Boston for \$25.

ACCURATE INFORMATION AS TO COMPARATIVE COSTS IMPORTANT.

We have left until the last the most important field which Mr. Clark has undertaken to cover, to wit: comparative costs of manufacture in Great Britain and the United States.

The only specific information given us by Mr. Clark as to comparative costs of fabrics in the two countries is limited to

¹ First Print No. 41, p. 5939.

⁴ Id., p. 5950.

² Id., p. 5943.

⁵ Id.

³ Id., p. 5949.

⁶ Id., p. 5951.

four fabrics, samples A, B, C, and D on pages 86 to 88 of his report. In addition, Mr. Clark has also undertaken to give the theoretical cost in a theoretical mill of a plain worsted coating, Figure 4 on page 69 of the report. The only other information as to specific fabrics obtained by him is as to fourteen other samples of English cloth as to which he has *only the costs of such fabrics in England*. Mr. Clark's information as to costs in America was apparently obtained after his return to this country at the suggestion of an English manufacturer,¹ who informed him that there was a mill in this country manufacturing a fabric similar to that which the Englishman was making. Rather than take up the time of the Committee further than is absolutely necessary, we shall confine our analysis of Mr. Clark's work on the subject of comparison of costs to a consideration of the data furnished by him as to samples A, B, C and D, and as to the theoretical fabric made in the theoretical mill and represented by Figure 4 on page 69 of his report.

COMPARISON OF ENGLISH AND AMERICAN COSTS.

As representing the immense dress goods industry of England we have only these four samples, A, B, C and D, obtained from the city of Bradford. Samples A and B are cotton warp fabrics with worsted filling. Sample C is an all wool sateen, and sample D an all wool serge. The city of Bradford plays an important part in the dress goods industry only as to the manufacture of so-called Bradford stuffs, of which Mr. Clark has only furnished two samples, A and B, out of an infinite variety.

Samples A and B.

For practical purposes the information obtained as to samples A and B is almost valueless at the outset because they represent a fabric known to the trade as cotton warp cashmeres, which were formerly made in large quantities in this country, but are now out of fashion and nearly obsolete, having become so because of their poor intrinsic worth.

The information as to these samples is of still less value because of lack of sufficient detail to permit a fair comparison with American costs, and because of the numerous inaccuracies

¹ First Print No. 31, p. 4496.

and discrepancies in the figures given, and the deductions drawn therefrom by Mr. Clark. He has not given us the separate costs for the cotton warp and worsted weft yarns. He states that the British manufacturer bought his yarns. The cost of the yarn must, therefore, include profits of manufacture and sale up to the point of weaving. The cost given by Mr. Clark must also include profits on the different processes of manufacture subsequent to the weaving, owing to the division and specialization of the different processes which Mr. Clark tells us exist in England where, as a general rule, each manufacturer only carries out one process in the manufacture. In the United States, on the contrary, the processes are not so much subdivided, and it is not unusual for the same manufacturer to carry on all processes from the raw wool to the finished cloth. The costs obtained by Mr. Clark on the four domestic samples would appear to have been figured on this basis rather than on the English basis, that is, on a radically different basis.

It is to be noted that the details of construction of the English samples given by Mr. Clark are apparently based on tests made by the Conditioning House of Bradford, England. The object of these tests is apparently not to determine the structure of the cloth in the gray state, that is, as it leaves the loom, but to determine whether finished goods sold by sample come up to the sample. The original analyses by this Bradford Conditioning House of the samples obtained by Mr. Clark are in the possession of the Bureau of Manufactures. These analyses show the counts or sizes of the cotton warp and worsted weft yarn, together with the average twists in the yarns, only as they appear in the finished fabric. The weight of the original cloth in the gray is not given. The strength and elasticity of the cloth is given, warp way and weft way. A chemical test is also given showing the proportion of the cotton and wool in the piece calculated from the clean and dry weight of the cloth. While such analyses may be commercially valuable as determining the question, as before stated, of whether a cloth delivered is in accordance with sample, in cases of dispute, they are intrinsically of little value as a basis for comparison in considering the manufacture of other fabrics. The different processes of finishing cloth after the weaving produce effects of such marked difference in the finished fabric, as compared with the cloth in the gray, as

to render the results of such analyses uncertain and of doubtful value.

Sample A. — Cotton Warp Piece-dyed Cashmere with low Botany Wool Filling.

The inaccuracies and discrepancies between Mr. Clark's records of the construction and weights of this fabric, and the weights and construction as we find them to be from the actual sample obtained by Mr. Clark, are so numerous as to make it impossible to use his data as a basis for comparison with American fabrics. The following is a comparative analysis of sample A :

Mr. Clark's Records.		American Analysis.
	Ounces.	Ounces.
Total weight finished	3.22	2.91
Weight of warp	1.28	1.16
Weight of weft	1.94	1.75

It is true that these variations can be accounted for partially by different atmospheric conditions in the two countries, but we do not think that this would account for more than one-half of the variation.

Assuming this cloth to have been made from yarns purchased in the United States, under conditions existing on the twenty-ninth day of January, 1909, the cost to the mill would be as follows :

4.81 pounds of combed yarn	\$2.45
.12 pounds of combed yarn for selvage .....	.09
7.8 pounds fine Botany worsted	11.32
Total materials	\$13.86
Cost of weaving	4.23
Cost of dyeing, finishing, packing, and delivering	2.30
Selling cards .....	.12
Plant charges	1.11
Interest charges from purchase of yarn to payment for goods .....	.82
Total	\$22.44

This cost is for a piece containing 65 yards finished, and

would represent a cost per yard of 34.5 cents, exclusive of selling expenses.

If a weaving plant were fitted up exclusively to make this particular fabric or absolutely similar fabrics in large quantities, the cost might possibly be reduced $2\frac{1}{2}$ cents per yard by securing the yarns at lower prices, and manufacturing at a reduced cost resulting therefrom. This might reduce the cost to 32 cents per yard. The foreign cost as given by Mr. Clark is 15.6 cents per yard, that is: the American cost under the most favorable conditions, and not including selling expenses, would be 105.1 per cent greater than the foreign cost, whereas Mr. Clark states it ¹ to be 67 per cent.

Mr. Clark gives the weft ends per inch in this cloth as 72, although the weight and structure of the finished cloth would necessitate about 92 weft ends.

The cost of these goods 42 inches wide is given by Mr. Clark as 15.6 cents per lineal yard. In figuring the cost per square yard, the basis on which the duty is fixed, Mr. Clark figures a cost of 14.7 cents as quoted in his testimony before the Committee,² although it is perfectly clear from his own figures that the cost per square yard would be 13.371 cents.

The filling in this cloth is described as low Botany wool, spun to the size or count of 66. We are positive that this wool could not have been what is commercially known as low Botany wool and must have been fine Botany wool, because low Botany wool taken alone cannot be spun to as fine a count as 66 for commercial purposes. The differences in the relative weights of materials in sample A, and the so-called similar cloth used for a basis of comparison in this country, would seem to indicate that the fabrics must have been different. These weights are as follows:

	Sample A.	American Cloth.
	<i>Ounces.</i>	<i>Ounces.</i>
Weight per yard.....	3.22	3.36
Weight of warp.....	1.28 (39.8 per cent)	1.46 (43.5 per cent)
Weight of weft.....	1.94 (60.2 per cent)	1.9 (56.5 per cent)

These inaccuracies and this lack of similarity in data indicate

¹ Report, p. 86.

² First Print No. 41, p. 5910.

the inherent danger in making comparisons of costs except upon accurate and fixed bases of calculation.

Sample B.—Cashmere made of Cotton and Botany Worsted, Cross Dyed.

In this sample again it is clear, from the quantities and weights of materials and structure of fabric given by Mr. Clark, that yarn of the sizes described by him would produce a fabric lighter than finished weight given.

This sample purports to be made of 1/50's cotton warp. On the weight given it would seem to be clear that the yarn must have been as heavy as 40's. It cannot be true that the warp in this case is 50's as compared with sample A, purporting to have the same size of warp, because in sample B there are 68 less ends given in the warp and yet the weight of warp is given as 25 per cent greater per yard than in sample A.

The weft yarn in sample B is given as size 66, while its weight would correspond to the weight of 60's. This difference might be accounted for by the use of glue to stiffen the goods, which would at the same time add to the weight. We find no mention of any extraneous substance in Mr. Clark's figures, and yet the weight of materials is of most vital consideration in determining costs of goods.

In both samples A and B, as to foreign cost we are given the supposed construction, yarn cost, weaving wage, expenses, and dyeing cost. It is most unusual and hardly credible that a Bradford mill did its own dyeing. It is most unusual and hardly credible that a British mill sold its goods in a finished condition, as the custom in that country is to divide and specialize the processes of weaving and dyeing and finishing.

An analysis of this cloth shows the following variations :

	Mr. Clark's Records.	American Analysis.
Ends of warp.....	71	75½
Weft ends per inch	93	96½
Weight of cloth	3.86 ounces	3.71 ounces
Weight of warp	1.6 "	1.65 "
Weight of weft.....	2.26 "	2.06 "

These variations are too great to be accounted for purely by

atmospheric conditions. The estimated American cost of sample B would be as follows :

Cotton warp yarn, per cut	\$2.75
Worsted weft yarn.....	13.33
Weaving.....	5.37
Dyeing, finishing, packing, and delivering.....	2.96
Selling cards .....	.15
Plant charges	1.41
Interest charges until goods are paid for .....	.98
Total at mill	<u>\$26.95</u>

This would be the cost of a piece containing 67 yards, representing a cost per yard of 40.2 cents, exclusive of selling expenses.

It is also possible in this case that a weaving plant fitted up especially to make these goods in large quantity might by purchasing materials at lower prices, and with the reduced cost resulting from purchases and manufacture in quantity, make a saving of 3 cents per yard, leaving a cost of 37.2 cents. The foreign cost is given as 17.85 cents, that is: the American cost under the most advantageous circumstances, and not including selling expenses, would be 108.4 per cent greater, whereas Mr. Clark states¹ it to be 67 per cent greater.

It is to be noted that this piece was cross-dyed, that is: the warp was dyed before weaving and the cloth dyed after being woven, although this is not noted in Mr. Clark's report. In this sample, as in sample A, Mr. Clark apparently derives his construction from the finished cloth. It is to be noted that according to the Bradford Conditioning House test the count of the cotton warp is 36.4 and of the worsted weft 62.7, although Mr. Clark's statement gives the cotton warp as 50's and the worsted weft as 66's.

The chemical test made to determine the relative quantities of cotton and wool in the fabric is not objectionable for determining the variations between two pieces of cloth purporting to be the same, but it is misleading as to the proportion of cotton and wool in any given piece of cloth under natural atmospheric conditions, because under natural conditions there is a large

¹ Report, p. 86.

amount of moisture in the cloth. It is to be observed that in the test the materials have been reduced to a clean and dry weight. As, however, the natural moisture in the cotton is only about one-half that in the wool, and the quantity of the wool is greater in proportion, under natural conditions the percentages would be materially changed. This merely shows how inadequately Mr. Clark has indicated the intricate and puzzling conditions which arise in determining costs of manufacture.

Sample C. — All Wool Sateen.

A comparison of Mr. Clark's figures and our American analysis is as follows :

	Mr. Clark's Records.	American Analysis.
Warp ends.....	110	112½
Picks of filling	53	54
Total weight of weft per yard.....	7.07 ounces	6.79 ounces
Total weight of worsted warp.....	4.7 “	4.4 “
Total weight of filling.....	2.37 “	2.39 “
(These analyses agree as well as could be expected.)		
Ends of worsted warp.....	62	62
Number of worsted weft.....	30	28

	American Estimate of Cost.
Worsted yarn	\$48.54
Weaving	4.74
Dyeing, finishing, packing and delivering.....	5.04
Selling cards .....	.34
Plant charges.....	.89
Interest charges	2.35
Total	<hr/> \$61.90

This is the cost on a piece of 81 yards, representing a cost per yard of 76.4 cents, exclusive of selling expenses. If the mill were fitted up especially to make these goods and nothing else, these costs could be somewhat reduced, possibly by about 4 cents per yard, making a cost of 72.4 cents. The foreign cost is given as 31.12 cents. The American cost would be, therefore, 132.6 per cent greater. This agrees very well with the American cost quoted by Mr. Clark.

Sample D. — All Wool Serge made of Crossbred Wool.

	Mr. Clark's Records.	American Analysis.
Ends of warp	53	54½
Picks of filling.....	42	42½
Total weight	6.16 ounces	5.81 ounces
Weight of warp	3.42 "	3.05 "
Weight of weft	2.74 "	2.76 "

The variations in the total weight, about 5 per cent, might possibly be accounted for by differences in atmospheric conditions. This is a fabric of very peculiar character which must have been subject to unusual shrinkage from the gray yarn to the finished cloth, over and above the usual loss in finishing this class of goods, the unusual shrinkage being produced by the singeing and scouring processes.

American cost of yarn	\$36.98
Weaving.....	3.83
Dyeing, finishing, packing and delivering	5.23
Selling cards.....	.28
Plant charges	82
Interest charges	1.85
Total.....	<u>\$48.99</u>

This would be the cost on a piece of 91 yards, representing a cost per yard of 42½ cents, exclusive of selling expenses.

If this cloth could be made at all in this country under our climatic conditions, and if a mill were especially fitted up to do it, the cost could probably be reduced 2½ cents per yard, but we regard it as a cloth that it would not be practicable to make in the United States.

A THEORETICAL FABRIC MADE IN A THEORETICAL MILL.

We will now consider Mr. Clark's figures as to the cost of the worsted coating represented by Figure 4 on page 69 of his report.

All of the data relating to the manufacture of this cloth appears to be purely theoretical, and derived from a great many sources. None of it purports to have been obtained from actual results of any one manufacturer. The whole structure is evidently built up in this way:

A. — An imaginary machinery equipment for 100 wide looms is assumed. This does not include power plant or buildings, the

cost of power and rent being determined on some hypothetical basis, as to which the detail is not stated.

B. -- Then a fabric is imagined, namely, a 60-inch wide worsted coating, made according to a certain formula, of which a sample of cloth put in evidence purports to be the finished result.

C. -- Then the practically impossible assumption is made that on this fabric 100 looms could be run for one year (50 weeks) continuously without interruption, and with a yield of 70 per cent of their theoretically maximum product; in other words, that a maximum daily product could be secured continuously throughout a whole year.

D. -- By calculation it is then determined how many pounds of worsted yarn of a certain kind and quality would be required to keep this weaving mill in operation during the year. This amount is fixed at 512,000 pounds.

E. -- Then theoretical calculations are entered into to determine the cost of this yarn to the weaver, basing the whole amount, a year's product of 512,000 pounds, upon a fixed price, namely, 11½d. for Port Phillip greasy wool. As the present price of Port Phillip wool of the kind described is, within about two months of the date of Mr. Clark's report, 14½d. in London, an advance of about 30 per cent over the price named by Mr. Clark, it would hardly seem safe to establish such a mill on the assumption of a fixed price of wool for a whole year, particularly in a business so variable, and subject to changes of fashion, as Mr. Clark describes this business to be.

F. -- It is assumed that every yard of these goods will be perfect; that there will be no seconds; that the number of pounds of worsted yarn estimated will produce 8000 pieces 61½ yards each, each yard being 37 inches long; and that the goods will weigh when finished 16.15 ounces to the lineal yard.

These are all theoretical calculations, so far as appears, none of the alleged facts having been taken from the books of manufacturing concerns. It must be clear that this method of arriving at the cost of an article cannot fairly be regarded as a correct basis on which to establish a business, and that the results hoped for cannot be depended upon.

Furthermore, it would seem as if Mr. Clark had left out in his calculations certain necessary elements of cost under the English system of carrying on the wool manufacturing business. For ex-

ample, he bases his calculations upon a price of wool fixed at 11½d. per pound for a whole year's supply. It is evident that some one must have to stand the expense of carrying this wool from the time the contract of purchase is made until the wool is all manufactured, which might extend several months beyond the time of the last delivery of the wool, and yet Mr. Clark only includes such expense for a period of three months. It would also appear that Mr. Clark has omitted the selling charges and profits of the merchants who take part in the intermediate transactions in the course of manufacture in England, and has only considered the commissions paid by those merchants for work done on their wool and tops by other persons, for instance the wool comber and spinner.

Furthermore, it is a physical impossibility to produce 496,640 pounds of finished cloth from 512,000 pounds of worsted yarn. This result would show a waste between the worsted yarn and the finished cloth of only 3 per cent. This should be at least 10 per cent. The following calculation will show the amount of cloth ordinarily obtainable from 100 pounds of yarn.

According to the trade terms quoted by Mr. Clark¹ the yarn is sold in England on the basis of containing 18¼ per cent of moisture. That is, in each 100 pounds of yarn there would be 84.56 pounds of yarn in a bone-dry condition. According to the trade terms in England, cloth in a standard condition contains 16 per cent of moisture: 16 per cent of 84.56 pounds is equivalent to 13.53 pounds, which added to 84.56 pounds would give 98.09 pounds of cloth. From this, however, there must be deducted the amount of oil and other foreign substances in the yarn, which would be not less than 5 per cent of its original weight, *i.e.*, 5 pounds. Deducting this from 98.09 pounds we have 93.09 pounds of cloth under normal conditions. This shows a shrinkage of about 7 per cent from the original 100 pounds of yarn. From this there must be deducted also the amount of absolutely necessary waste made in the preparation of the warp and in the manufacture of the cloth, which surely could not be less than 3 per cent or 3 pounds. Deducting this from 93.09 pounds we have practically 90 pounds of finished cloth from 100 pounds of worsted yarn, or a shrinkage of 10 per cent, instead of 97 pounds and a 3 per cent shrinkage, as estimated by Mr. Clark. In actual

¹ Report, p. 90.

practice in the United States, in the manufacture of goods of this class, it is not expected to get over 16 ounces of finished cloth from 18 ounces of worsted yarn, and the percentage of loss varies from 10 per cent to a much higher percentage according to the nature of the cloth and conditions of manufacture.

Furthermore, the testimony of leading manufacturers who have been consulted in regard to this matter is unanimous that, from the formula laid down by Mr. Clark on page 69 of his report, it would not be possible to manufacture this cloth, either in the weight stated to be required, or the width; in other words, that the formula given by Mr. Clark would not produce the cloth that is alleged to have been produced from that formula. Following is a letter from one of our leading manufacturers demonstrating this fact:

“MR. WILLIAM WHITMAN, *President, National Association of Wool Manufacturers, Boston, Mass.*

DEAR SIR: We have studied over the particulars of the plain worsted coating which you sent us very carefully, and we do not think it is possible to make this cloth to finish 60 inches wide and weigh 16.15 ounces, with particulars given. The way we would make this cloth from the size of yarn given, to finish 60 inches wide and to weigh, finished, 16 ounces, would be as follows: 72 ends of $2/44$'s worsted warp per inch, 72 picks of $1/20$'s worsted filling per inch, goods to be laid 78 inches wide in loom, to finish 60 inches wide. It would take 72 yards of warp to produce $61\frac{1}{2}$ yards of finished cloth and each piece would require $34\frac{1}{2}$ pounds of warp and $35\frac{1}{2}$ pounds of filling.

Yours very truly,

DUNN WORSTED MILLS,
E. S. DUNN, *Treasurer.*”

This being the case, of what value can Mr. Clark's calculations be? Instead of taking 64 pounds of worsted yarn to make 62.08 pounds of finished cloth as Mr. Clark states, it would take at least 68.9 pounds according to Mr. Dunn, and this is the opinion of American manufacturers who have been consulted.

A careful checking of the figures given by Mr. Clark on pages 69–79 of his report will show many inaccuracies. We shall not endeavor to point them out in detail. As indicating the danger of using Mr. Clark's work, we wish, however, to call attention to

one important fact. On page 70 of his report he estimates a return of 46 pounds of tops from 100 pounds of wool. In testifying to the Committee,¹ he stated that there would be a return of 40 pounds of tops out of 100 pounds of wool, shrinkage 50 per cent. A difference of 6 pounds in the amount of tops at 48.6 cents per pound would obviously make a great difference in the cost of cloth

DOUBLE COST REQUIRES TWICE THE PROFITS TO PAY THE SAME PERCENTAGE.

If it be true that in the United States the cost of plant, equipment, and manufacture is double that in England, it is obvious that in order that the manufacturer in this country may be compensated at the same rate as the foreign manufacturer, his aggregate profits must be double in amount those of the foreign manufacturer.

CONCLUSION.

In conclusion, we submit that Mr. Clark has not furnished to the Committee, nor did he have for use in his investigation, what is absolutely essential to a comparative study of costs, to wit: a common fixed basis for collecting data relating to such costs. And we say that facts as to costs obtained in accordance with the varying conceptions of individual manufacturers cannot safely be compared.

He has obtained only 18 samples of the fabrics of an industry in which the variety is infinite and which he says are controlled by the "vagaries of fashion" and which our President informed you were subject to the "capricious dictates of fashion." For purposes of comparison he has taken the trouble to obtain from one wool manufacturing establishment, out of over 1200 in this country, the costs of 4 samples supposed to be similar to 4 of the English samples which he obtained. Two of the 4 fabrics are going out of fashion and nearly obsolete. This is all the basis which we have for comparison of costs of fabrics, and the details of these costs were not obtained on a known or common basis, nor have we any means of testing their truth or accuracy. Furthermore, though Mr. Clark is undoubtedly a clever student and

¹ First Print No. 41, pp. 5941, 5953.

a truthful young man, his lack of knowledge of the business would not enable him to test information imparted to him in such manner as to confirm in any degree its accuracy.

We wish to register our protest against the unfairness done to Mr. Clark in giving him the task of investigating such a complex and difficult industry upon such inadequate notice

We wish further to register our protest against the unfairness to our industry resulting from the selection for such an important matter of a man unfamiliar with the industry either in this country or abroad. The most expert manufacturer could not hope to obtain a clear insight into such an industry in two months. It is not reassuring as to the value of government expert work that an Executive Department should, for the purpose of aiding the Committee on Ways and Means in their work of revising the tariff, conduct in such a perfunctory manner an investigation into the costs of an industry which, according to the census report of 1905, employed in this country 185,592 persons, used a capital of \$370,861,691, used materials of a cost of \$242,561,096 and produced a finished product of \$380,934,003. A private manufacturer who undertook to carry on his own business on a knowledge of costs thus obtained would meet nothing but bankruptcy.

It is furthermore to be regretted that in spite of the short and inadequate investigation of comparative costs that Mr. Clark was allowed to make, and in spite of the uncertain nature of the data which he has reported, he should have had in mind, while carrying on an impartial investigation of comparative costs, the question of the effect of the duties placed on the cloth by this country as indicated by the table on page 86 of his report. Nothing could be more misleading than this table unless Mr. Clark's data as to American costs was accurate and fairly representative of the costs in the entire industry. We feel that there can be no question that they are neither representative nor of practical value as a basis for comparison.

It is our opinion that the discrepancies between the details of construction and English costs of samples A, B, C, and D as given by Mr. Clark, and the results shown by analyses made in this country, are so marked as to raise a grave doubt as to whether the American manufacturer who furnished the American costs to Mr. Clark did not act under a misapprehension as to the

problem submitted to him, and whether he was correctly informed of the basis of calculation of the English costs or the purpose for which the information was to be used. And we feel convinced that the results of Mr. Clark's work fully confirm the opinion expressed to the Committee by our President,¹ that reliable information as to foreign costs of manufacture is not obtainable.

Very truly yours,

WILLIAM WHITMAN,
Boston,

President and Chairman Ex Officio,

FREDERIC S. CLARK,
North Billerica, Mass.,

CHARLES H. HARDING,
Philadelphia, Pa.,

LOUIS B. GOODALL,
Sanford, Me.,

JOSEPH R. GRUNDY,
Philadelphia, Pa.,

JOHN HOPEWELL,
Boston, Mass.,

JOHN P. WOOD,
Philadelphia, Pa.,

J. R. MACCOLL,
Pawtucket, R.I.,

FRANCIS T. MAXWELL,
Rockville, Conn.,

J. F. MAYNARD,
Utica, N.Y.,

THOMAS OAKES,
Bloomfield, N.J.,

*Tariff Committee National Association
of Wool Manufacturers,*

WINTHROP L. MARVIN,
Secretary.

¹ First Print No. 24, p. 3300.

SUMMARY.

OF THE STATEMENT OF THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS IN RELATION TO THE REPORT OF W. A. GRAHAM CLARK TO THE BUREAU OF MANUFACTURES ON NOVEMBER 1, 1908, AND HIS TESTIMONY BEFORE THE COMMITTEE ON WAYS AND MEANS ON DECEMBER 11 AND 22, 1908.

P. 152. The purpose of this statement is to aid the committee in determining what new and valuable information Mr. Clark obtained.

P. 152. The Bureau of Manufactures is supposed to have been established to aid our industries; therefore the work of its agents should be impartial and reliable. Mr. Clark's report, however, although interesting, covers too limited a field, is too full of inaccuracies and based too little on manufacturing experience to be of practical value.

P. 153. Mr. Clark's and Mr. Whitman's description of the unstable and complex nature of the industry agree.

P. 154. COMMON BASIS OF FACT NECESSARY FOR COMPARISON OF COSTS

P. 155. Mr. Clark's report and testimony bear out the contention of our Association before the committee that information as to comparative costs of production in foreign countries and the United States is not obtainable, and a comparison of foreign and domestic costs is not practicable, for the following reasons:

Foreigners guard trade secrets jealously.

There is no common or definite understanding of what is meant by cost of production.

A certain basis of calculation is necessary to make comparisons.

The most highly qualified expert would find it a difficult matter to obtain reliable data.

Foreign manufacturers have a selfish interest in breaking down our tariff and information given by them should be carefully scrutinized.

COMMON STANDARD OF COMPARISON NECESSARY.

P. 155. Mr. Clark had had no practical experience in the industry or knowledge of it on which to base his study of comparative costs. He was apparently sent abroad for other purposes and the two months given him were too short.

RELATIVE ADVANTAGES OF WOOL MANUFACTURERS OF ENGLAND
OVER OUR MANUFACTURERS.

P. 156. Some of Mr. Clark's information is in a general way interesting and true, yet his data is too indefinite to be of practical value in the following among other very important particulars:

CHEAPER FIRST COST OF MACHINERY AND BUILDING IN ENGLAND.

P. 156. He states that machinery and building are one-half to one-third cheaper in England, making ours cost from 50 per cent to 100 per cent more.

CHEAPER RAW MATERIAL IN ENGLAND.

P. 157. He states that he had no first-hand knowledge of wool and yet makes the erroneous statement that the average shrinkage of wool used in this country is 50 per cent to 60 per cent.

LABOR CHEAPER IN ENGLAND BY ONE-HALF OR MORE.

P. 157. He found no uniform scale of wages in England, giving as reasons the complexity and changeableness of the industry and lack of labor organization. Our President stated to the committee that in so far as he was able to judge, English wages were one-half or less than one-half of wages in New England and Pennsylvania.

CHEAPER COSTS IN ALL OTHER ITEMS.

P. 159. Costs of Sample A subsequent to weaving are stated to be equal in both countries, which is inconsistent with Mr. Clark's general conclusion that all costs in England are less.

HIGH COST OF CLOTHES NOT DUE TO HIGH WOOL BUT TO TAILOR.

P. 159. Mr. Clark undertakes to fix the proportion of the value of the wool to the value of a suit of clothes as 60 per cent. He ignores the labor cost in production of the wool. The general understanding among wholesale clothing manufacturers is that the wool represents about 25 per cent, although the infinite variety of fabrics makes such an average a matter of individual opinion. A suit costing \$13 will ordinarily sell at retail for \$22.

INACCURATE COMPARISON OF CONSUMPTION OF WOOL IN GREAT
BRITAIN AND THE UNITED STATES.

P. 160. Mr. Clark's table states values instead of weight of materials used in the wool industry. He includes certain items twice and ignores the imports and exports. He does not distinguish between wool retained which may be manufactured and exported, and wool for consumption.

P. 161. He uses foreign values, instead of duty paid values, in estimating the relation between our imports and our total wool consumption.

P. 162. The duties from the wool to the cloth are given to disprove the statement that the duty on the yarn is higher than on the cloth. Percentages are shown to be fallacious.

P. 163. The increased duty on tops is stated to be to prevent importation in that form.

P. 163. Mr. Clark is shown to be in error in comparing men's with women's wages.

P. 164. MANY OTHER INACCURACIES. Two all wool suits are introduced as exhibits; New York retail price \$20, Boston retail price \$25, to disprove statement that an all wool suit cannot be bought in this country for \$25.

ACCURATE INFORMATION AS TO COMPARATIVE COSTS IMPORTANT.

P. 164. Mr. Clark's information as to comparative costs is limited to four samples. His only additional information as to specific fabrics is limited to fourteen samples as to which he obtained English and not American costs, and a theoretical fabric made in a theoretical mill.

P. 165. *Samples A and B.* These are cotton warp dress goods which are nearly obsolete. The details of construction are insufficient and inaccurate, and the costs are apparently figured on a radically different basis because of the different division of manufacture in England and in this country. Details of construction are apparently based on analyses of the finished fabric.

P. 167. *Sample A.* COTTON WARP PIECE DYED CASHMERE WITH LOW BOTANY WOOL FILLING. Inaccuracies and discrepancies make comparison impossible, partly, but not wholly, accounted for by different atmospheric conditions.

P. 168. American analyses and comparison of costs give Ameri-

can cost 105.1 per cent greater, instead of 67 per cent. Selling expenses not included.

Sample B. CASHMERE MADE OF COTTON AND BOTANY WORSTED CROSS DYED. Inaccuracies and discrepancies make comparison impossible; not accounted for by different atmospheric conditions.

P. 169. American analyses and comparison give American cost 108.4 per cent greater, instead of 67 per cent. Selling expenses not included.

P. 171. *Sample C.* ALL WOOL SATEEN. American analyses and comparison give American cost 132.6 per cent greater, exclusive of selling expenses. This compares very well with the American cost quoted by Mr. Clark.

P. 172. *Sample D.* ALL WOOL SERGE MADE OF CROSSBRED WOOL. American analyses and cost given, exclusive of selling expenses. This cloth it would not be practicable to make in the United States.

P. 172. *Theoretical Fabric Made in a Theoretical Mill.* Mr. Clark's figures here are not based on actual manufacturing experience or results. His results are impossible for the following among other reasons:

P. 173. His estimated production is too great. P. 174. He does not include part of the cost of carrying his wool which he buys at a fixed price on a year's contract. His estimate of the amount of wool necessary is too small. P. 174. He figures his waste between the yarn and the finished cloth as 3 per cent instead of 10 per cent. Present price of the wool which he figures at 11½d. is now 14½d. American manufacturers say unanimously that it is impossible to produce the fabric on the details of construction given by him. Letter of Mr. Dunn to this effect quoted. P. 176. He estimates a larger return of tops, *i.e.*, 46 pounds, per 100 pounds of wool, as against about 40 pounds in his testimony before the Committee.

P. 176. Double the cost of plant, equipment and manufacturing requires double profits to give the same rate of compensation.

P. 176. *Conclusion.* Mr. Clark's report confirms the fact that reliable information as to foreign costs is not obtainable and suggests a doubt as to the correctness of the basis on which the American costs of samples A, B, C, and D were figured.

WOOL TOPS.

LETTER OF WILLIAM WHITMAN, GIVING ADDITIONAL INFORMATION RELATIVE TO TOPS.

DECEMBER 8, 1908.

HON. HENRY S. BOUTELL, *House of Representatives, Washington, D.C.*

DEAR SIR: You will recall asking me some questions about tops on Wednesday last, when I presented a statement to the Ways and Means Committee. Having your questions in mind, I take the liberty of sending you a little book entitled "Tops, a new American Industry," which was published by the Arlington Mills in 1898. This book contains information not only about tops, but about the worsted industry, which I think may interest you. The reason why the words "A new American industry" were used in the title was for the purpose of showing to spinners of yarn that we proposed to make tops for other spinners' use than our own. As a matter of fact, the making of tops was not a new industry in itself, but the making of tops to supply worsted spinners was practically the beginning of a new industry. At least the larger part of the worsted spinners and worsted manufacturers made, and do now make, their own tops. There has always been a prejudice in this country on the part of manufacturers against buying tops and in favor of making the tops for themselves. Frequently, however, spinners had a surplus of tops, though not making them for general market, and occasional sales were made long before 1896, when the Arlington Mills started to build the top mill referred to. This was in a period of great depression, and was very unfavorably commented upon by the local public at the time. While the top mill is an important adjunct to our general worsted enterprise, it has had to encounter much opposition.

First. The prejudice on the part of spinners against buying tops has not been wholly overcome.

Second. It has taken a very long time to create a market

Third. The market conditions have been such that it has been difficult to buy wool in the market, put it into top, and sell it at a satisfactory profit.

Fourth. The trend of the business is toward the wool dealer, and a very large part of our machinery, other than what we need for our own work, is used in combing wool on commission for wool dealers and other manufacturers.

It looks now very much as though the trade would develop along the latter line, thus following the same lines as in England and in France. Tops would then become a branch of the wool business rather than of the wool-manufacturing business. To illustrate: A, who is a wool dealer, buys the wool all over the world. He has certain customers who want that wool in the form of tops. He will, therefore, send the wool to be combed into tops for him to sell to his customers.

It is unnecessary for me to state that only so much wool can be used in the country, and so far as revenue is concerned, whatever might be lost from not importing tops would be offset by importing wool.

The census of 1905 reported the number of wool-combing machines as 1549. The Arlington Mills has 97, so while they consider themselves to be large combers yet they have but a small part of the whole number of combing machines in the country. The Arlington Mills is consuming now about two-thirds of its product of tops. The remaining portion of the product of tops is made for other parties, including a small percentage for sale. The sales of tops by these mills in 1897 amounted to less than 6 per cent of their entire business.

I think you will find that the little book will give you more information on the subject than it would be possible to obtain from any other source, and I believe the information to be such that you can rely upon it.

Respectfully yours,

WM. WHITMAN.

THE FACTS ABOUT THE WOOL TOP DUTY IN THE DINGLEY TARIFF.

The anonymous pamphlet published by Frank P. Bennett and submitted to the Ways and Means Committee of the present Congress charges:

1. That in the enactment of the present Tariff Act, S. N. D.

North and William Whitman secured "an exorbitant duty on wool tops."

2. That this duty was concealed in the act through their "cunning manipulation."

3. That this was done for the personal benefit of William Whitman, or of the Arlington Mills in which he was largely interested, and to the detriment of other woolen manufacturers.

These charges are not only utterly unfounded in fact, but must be known by Frank P. Bennett to be in every respect false, because the high duty was imposed upon wool tops against the protests of Messrs. North and Whitman, and at the instigation of the National Wool Growers Association, of which Mr. Bennett was himself the vice-president and a very active member.

The facts concerning the present duty on wool tops are as follows :

First: THE McKINLEY ACT.

Under the McKinley tariff law (St. at L. 1890, Chap. 1244) the duty on wool tops was imposed by Section 390 :

"Wools and hair of the camel, goat, alpaca, or other like animal, in the form of roping, roving or tops, and all wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this Act, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this Act."

Section 392 fixed the duty on "manufactures of wool not otherwise provided for" as follows :

"(a.) If valued at not more than 30 cents per pound, three times the duty on such wool, plus 40 per cent ad valorem.

(b.) If valued at more than 30 cents and not more than 40 cents per pound, three and one-half times the duty on such wool, plus 40 per cent ad valorem.

(c.) If valued at more than 40 cents per pound, four times the duty on such wool, plus 50 per cent ad valorem."

These provisions remained in force until the enactment of the Gorman-Wilson tariff, by which the duty on wool tops was reduced to 20 per cent ad valorem (St. at L. 1894, Chap. 349, Sect. 279).

Second: THE EMERGENCY REVENUE BILL.

Under the proposed Emergency Revenue Bill, which passed the House of Representatives December 26, 1895 (but did not become a law), the duties on wool and the specific duties on woollens were made 60 per cent of the McKinley Act, and the ad valorem duties on woollens the same as the Wilson-Gorman Act (20 per cent). By this bill there would have been imposed upon tops the same specific and ad valorem duties as on cloth.

This provision in the House Bill called out an emphatic protest from the wool growers, who demanded the restoration of the provisions of the McKinley Act under which the duties on tops were prohibitory.

The position taken by the wool growers on the top duty is shown by the Memorial and Resolutions submitted by Hon. William Lawrence on behalf of the Farmers' National Congress, December 14, 1896, to the Committee on Finance, and printed as Senate Document No. 17, 54th Congress, Second Session, in which, on page 57, appears the following:

"5. The Duty on Tops, Rovings, etc.

The Act of 1890 prescribed an ad valorem duty of 40 cents per pound and 50 per cent on those valued over 40 cents per pound, and besides these specific duties ¹ These duties were prohibitory on tops. The Act of 1894 reduced the duty to 20 per cent and tops were largely imported, — 1,567,000 pounds in the first six months of 1895. This was ruinous to wool growers but beneficial to manufacturers using tops.

The Dingley Bill retains 60 per cent of the specific or compensatory duty, but only retains the very low protective duty of 20 per cent, thus inviting imports, whereas if the bill had retained 60 per cent of the

¹This statement is inaccurate. See Act of October 1, 1890, Sections 390, 392, as follows:

"390. Wools and hair of the camel, goat, alpaca, or other like animals, in the form of roving, roving, or tops, and all wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this act, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this act."

"392. On woollen or worsted cloths, shawls, knit fabrics, and all fabrics made on knitting machines or frames, and all manufactures of every description made wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, not specially provided for in this act, valued at not more than 30 cents per pound, the duty per pound shall be three times the duty imposed by this act on a pound of unwashed wool of the first class, and in addition thereto 40 per centum ad valorem; valued at more than 30 and not more than 40 cents per pound, the duty per pound shall be three and one-half times the duty imposed by this act on a pound of unwashed wool of the first class, and in addition thereto 40 per centum ad valorem; valued at above 40 cents per pound, the duty per pound shall be four times the duty imposed by this act on a pound of unwashed wool of the first class, and in addition thereto 50 per centum ad valorem."

ad valorem protective duties of the Act of 1890, the duties would have been higher, that is 24 and 30 cents per pound, and hence more effective to exclude tops. This is a gain to manufacturers desiring to use tops, but injurious to wool growers desiring to exclude them.

(Note.) The *wool growers* desire 'the most ample protection' on tops, rovings, yarns. Their import may aid some *manufacturers*, but will be ruinous to *wool growers*."

Third: THE DINGLEY BILL.

In December, 1896, the consideration of a new tariff bill, afterwards enacted as the Dingley Act, was taken up by the National Association of Wool Manufacturers, and from time to time committees were appointed to represent the views of the Association in connection with the proposed legislation. Of these committees Mr. William Whitman was a member and Mr. North acted as Secretary of the Association and its representative in Washington.

(a.) The Manufacturers' Request.

In the recommendation for legislation presented by the Association to the Ways and Means Committee, the following provision concerning tops was submitted:

"On tops made wholly or in part of wool valued at not more than 24 cents per pound, the duty per pound shall be two and one-half times the duty imposed by this Act on one pound of unwashed wool of the first class and in addition thereto 6 cents per pound; valued at more than 24 cents per pound, the duty per pound shall be three and one-third times the duty on one pound of wool of the first class, and in addition thereto 8 cents per pound; if dyed, on all the above 5 cents per pound additional "

(b.) The Wool Growers' Request.

The wool growers, on the other hand, submitted to the Committee the following provision for the duty on tops:

"Tenth. Wools and the hair of the camel, goat, llama, alpaca, or other like animals in the form of roping, roving, or tops, and all wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this Act, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this Act."

In the argument submitted in support of the Wool Growers' Bill, the following relating to the duty on tops appears (Tariff Hearings, 1896-7, Vol. II., p. 1415):

"I presume you know what wool tops are?"

Mr. DOLLIVER. — No.

Mr. LAWRENCE. — They are scoured wool which is carried into the first form of manufacture, put into great long rolls ready to spin. They are better than scoured wools because they have passed beyond the scouring stage to the first process of manufacture. I saw a circular here, I have forgotten whether it was from Philadelphia or New York, asking that wool tops be put at the same duty as scoured wool. Well, the injustice of that must be apparent. Of course no scoured wool would come in. It would be all tops, and thus the law would deprive our American manufacturer of the privilege of making tops from foreign wool, and —

Mr. EVANS. — Made out of what quality of wool?

Mr. LAWRENCE. — It is wool first scoured and then manufactured into a roll ready to spin. They are made from all classes of wools.

Mr. JUSTICE. — There is a sample of it (exhibiting same).

Mr. LAWRENCE. — There it is, and its import has aided in ruining our wool industry and taken from American citizens the labor of making tops and deprived them of wages for this service. And yet these gentlemen come here who sent the circular and ask that tops be dutiable simply as scoured wool.

A BYSTANDER. — There is a duty now of 20 per cent.

Mr. LAWRENCE. — I do not remember what it is. We want a duty of 40 cents a pound, and we want to manufacture it and let our American citizens make the tops and let them have the wages therefor. Why transfer American gold to foreigners to make those tops? Let us have protection, and protection which protects. We ask for a prohibitory duty upon foreign rags and shoddy. That strikes the common sense and common honesty and common conscience as proper and just, as it seems to me.

Mr. DOLLIVER. — Was the 30 cents a pound under the Act of 1890 prohibitory?

Mr. LAWRENCE. — No, not quite; but we ask for a prohibitory duty upon wool tops as well as shoddy sent here from foreign countries.

Mr. DOLLIVER. — Do you ask for a prohibitory duty, or a duty larger than 30 cents a pound?

Mr. LAWRENCE. — I would like to have it a little larger than that to make it prohibitory."

(c.) *The Preliminary Report of the Ways and Means Committee.*

The Ways and Means Committee rejected the recommendation of the woolen manufacturers and accepted the recommendation of the wool growers, making in their preliminary report of March 15 the following provision, which is the same provision contained in the McKinley Act:

“Wools and hair of the camel, goat, alpaca, or other animals in the form of roping, roving, or tops, and all wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition not specially provided for in this Act shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this Act.”

(d.) *Mr. Whitman's Protest.*

This refusal to accept the recommendation of the National Association of Wool Manufacturers' Committee as to tops called forth the protest of both Mr. Whitman and Mr. North. The following letter of Mr. Whitman to Chairman Dingley of March 16, 1897, explains itself:

“78 CHAUNCEY STREET, BOSTON,
March 16th, 1897.

HON. NELSON DINGLEY, JR.,

Chairman of Ways and Means Committee, Washington, D.C.

DEAR SIR: — During my recent stay in Washington, my time was so much occupied in harmonizing differences of opinion among the gentlemen representing goods and yarns on our Committee that I was unable to call upon Mr. Grosvenor at such time as he would have been likely to see me. I had supposed, however, that Tops would have been made dutiable at the rates suggested by the manufacturers' Committee, as they are a manufacture of wool. As Tops now stand on the proposed tariff bill, the duty is absolutely prohibitory, because there is the same rate of duty imposed upon them as is imposed on manufactures of wool not specially provided for.

This places me in a very awkward position before the community. Nearly everybody in this part of the country is aware of the fact that the Arlington Mills, of which I am the Treasurer, has just completed an enormous plant for the manufacture of Tops, and everybody will say that, through my influence, there has been secured upon Tops prohibitory duties. Yarn spinners and weavers will complain, although they may not be directly affected, but everybody who is at all jealous or envious will charge that this duty has been imposed at my solicitation. As you are well aware, this is not the case, and I am sure that if Mr. Grosvenor understood the matter, he would favor the rates of duty suggested by the manufacturers, as, while such duties are

not prohibitory, I believe them to be sufficient to afford to our mills reasonable protection against foreign competition. The interests I represent and the interests of the wool grower, in connection with Tops, are identical. I am desirous of having a duty imposed upon them sufficient to cover the cost of manufacture, so that they may not be imported but made here. According to the manufacturers' schedule, they would be dutiable at six and eight cents per pound, in addition to the compensating duty on wool. I should hope that these duties should be sufficient, under normal conditions. Under the Wilson Bill, there is a duty of 20 per cent on Tops. With normal conditions, this would be sufficient protection, but at present it is not, for the reason that the Top makers in Europe, anticipating a decline in foreign wool after the passage of the present tariff law, are selling Tops at less than cost of manufacture. One of my neighbors has just bought 300,000 pounds of Tops at a cost landed, duty paid, in the United States of 5 cents per pound less than I can manufacture them to-day, but it must be borne in mind that this is under abnormal conditions. I should certainly have no objection to raising the specific rates of duty on Tops 2 cents per pound above the rates named in the manufacturers' schedule, and perhaps this would be a safe thing to do, but I have never asked for it because I was very desirous of not appearing before the trade as claiming, on an article in which I was especially interested, an unfair rate of duty. Probably no one among the manufacturers would object, however, to raising the protective rates 2 cents per pound, namely, making the duty 8 and 10 cents per pound, in addition to the compensating duties. You will observe that in the manufacturers' schedule the compensating duties are very nearly the same as those imposed on yarns, roving, etc., etc. The slight advance is made to offset the natural shrinkage from Tops to yarn. The objections then that I have to the Top rates as now incorporated in the bill are,

- 1st. That they are unnecessarily high and will do nobody any good.
- 2d. That they are so high on the article our mills manufacture as to create unfavorable criticism.

For these reasons I would like to have the rates agreed upon by the manufacturers adopted, or those rates with a slight increase, as suggested above. Mr. Grosvenor may be sure that, under no circumstances would the manufacturers consent to rates of duty on Tops that would favor the importation of wool into the United States in the semi-manufactured condition of Tops.

If you think it better to show this letter to Mr. Grosvenor, kindly do so, and express my regret at being compelled to leave Washington without making a personal call upon him. I certainly would have remained longer had I known in season of the decision of the Committee.

Yours very truly,

(Signed) WM. WHITMAN, *Treas.*,
ARLINGTON MILLS."

(e.) *Mr. North's Protest.*

Mr. North then presented to the Ways and Means Committee the following argument in support of his Association's objections to duty on tops as provided in the preliminary report:

"Page 91, Paragraph 364: This paragraph imposes rates of duty on *tops* from which *yarns* are made higher than the duty on *yarns* and as high as the duty on *cloths* made from *yarns*. This destroys the symmetrical adjustment of the schedule. Tops are the finished product of the top maker, just as *yarns* and *cloths* are the finished products of spinners and weavers. They are bought and sold in the markets just as *yarns* and *cloths* are bought and sold. They are not *substitutes* for wool, but are the partly manufactured wool ready for the spinner to be advanced by further labor into *yarns*. In other words, they require a compensatory duty for the wool duty as do *yarns* and *cloths* with a protective rate lower than that for *yarns* and *cloths* because their labor cost is less than that of the latter.

When the Act of 1890 was passed tops were not manufactured for sale in the United States, and the prohibitory duty imposed upon them by that Act was not a subject for criticism. American mills have since been built for their manufacture, and the owners of these mills do not wish to appear before the country as the beneficiaries of protective duties which are high beyond all reason, in comparison with the other rates of the schedule.

In the amendment suggested below the duty on tops is placed at its proper relationship between the duty on scoured wool and the duty on worsted *yarns*.

The first portion of this proposed amendment will cover any attempt to import any partially manufactured products of wool at low rates of duty, on the ground that they have not been otherwise provided for. It is true that it proposes high rates of duty, but as there is no known product which it legitimately covers, this can do no harm, for there is nothing that can be legitimately classified under it."

The disappointment of the National Association of Wool Manufacturers, as represented by Mr. North and Mr. Whitman, at the action of the Committee in placing the high duty is further evidenced by the statement commenting on the preliminary report of the Ways and Means Committee, made by Mr. North in a letter of March 16, 1897, to his assistant in the Boston office of the Association (Mr. William J. Battison) in which he says concerning the Committee's bill:

"Barring the outrageous wool duties, the worst break in the bill is

tops. This we could not help, but we hope to get it corrected in Com. Grosvenor was responsible for this: he thought tops were a substitute for wool, and would not listen to a reduction from the McKinley rate."

(f.) *The House Bill.*

As a result of these protests made by Mr. Whitman and Mr. North on behalf of the National Association of Wool Manufacturers, the draft of the bill was amended in the Committee so that when the bill was reported to the House, March 19, 1897, it read as follows :

"SECTION 364. On tops made wholly or in part of wool valued at not more than 24 cents per pound, the duty per pound shall be two and one-half times the duty imposed by this Act on one pound of unwashed wool of the first class and in addition thereto 6 cents per pound; valued at more than 24 cents per pound, the duty per pound shall be three and one-third times the duty on one pound of wool of the first class, and in addition thereto 8 cents per pound. If dyed, on the above 5 cents per pound additional. Wool and hair of the camel, goat, alpaca, and other like animals which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition not specially provided for in this Act shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this Act."

And on March 31, 1897, was passed by the House in this form, except that the number of the section was changed to 362.

(g.) *The Senate Bill.*

The Dingley Bill received its first and second readings in the Senate on April 1, 1897, and was referred to the Committee on Finance. Shortly after, Mr. North communicated to Mr. Whitman the suggestion which had been made that the duty on tops should be further reduced. Mr. Whitman replied under date of April 6, 1897, explaining why this ought not to be done, showing that the provision for which he and Mr. North had contended in the House had effected a very material reduction in the duties from the McKinley Bill, and was the only paragraph which did so. Mr. Whitman in his letter showed why the duty ought not to be further reduced, and said among other things the following, which was in large part suppressed in the garbled version of the correspondence printed by Mr. Bennett in his pamphlet :

“ . . . Under the McKinley law, Tops paid the following duty:

Valued at not more than 30 cents per pound, 33 cents per pound and 40 per cent; valued at more than 30 and not more than 40 cents per pound, 38½ cents per pound and 40 per cent; valued at more than 40 cents per pound, 44 cents per pound and 50 per cent.

Under the Dingley bill the duty would be:

Valued at not over 24 cents per pound, 27½ cents and 6 cents per pound; valued at more than 24 cents per pound, 36¾ cents per pound and 8 cents per pound.

The Top paragraph in the Dingley bill is the only one which shows a very material reduction from the McKinley bill. Further than this, it was only after repeated effort on my part, which you seconded, that the Ways and Means Committee reduced the Top rates from the McKinley bill rates to those proposed in the Dingley bill. Let me repeat: The Top paragraph of the Dingley bill is the only one of the whole woolen schedule which shows a very material reduction from the rates of the McKinley law, and this reduction was only secured by persistent effort on my part. I hope you understand thoroughly that the dividing lines on Tops should necessarily be very materially less than on yarns or on goods. I supposed that you thoroughly understood this. It is no fault of mine that the compensatory duty shows so large. You know very well that I have never favored such high rates of duty as are proposed on wool. You also know that I have not been in entire sympathy with my associates with reference to the duties on wool. You know, I believe, that our industry will be seriously handicapped by such high duties and that no compensatory duties will wholly compensate the manufacturer, no matter how large they may be. This you demonstrated in the pamphlet which you presented to the Ways and Means Committee. Mr. North, no change ought to be made in the Top schedule. It is right just as it stands. It is an enormous reduction from the McKinley law. No possible legislation in connection with the woolen schedule could be so dangerous to the woolen industry as legislation that would favor the importation of Tops, and all the representatives of the wool growers would oppose legislation that would in any way favor the importation of Tops. There was never any complaint of the Top paragraph in the McKinley law. There was never any complaint of the construction of the tariff laws in reference to Tops prior to 1890. There should be no complaint now in reference to the proposed duties on Tops, which are very materially lower than they have been at any time since 1867. I depend upon you to look out for my interest in this regard. You know how anxious I have been that Tops should be made dutiable at less rates than the McKinley law, and you also know how important it is, not only to me but to the whole worsted industry of the United States, that such rates of duty should be imposed upon Tops as will enable them to be

made here and not be imported from foreign countries. If there is a single point in reference to this that you do not understand, you ought to communicate with me at once, so that it may be explained. There would be no difficulty in my satisfying the members of the sub-committee on this point, and if there is the slightest danger of any change, I must see these gentlemen before it is too late. If they understand the matter properly, they will make no change. The prosperity of the woolen industry in this country depends wholly upon the ability of the domestic manufacturers to manufacture the Tops here. What a ridiculous position we would be in under any legislation that would favor importing Tops and discontinuing making them here! It must be apparent to you that there is a growing feeling among the manufacturers to accept the Dingley bill rates on wool and woolens.

You will see that if the dividing line on Tops was 30 cents, Term Tops, requiring three and one-half pounds of wool to make one pound, would have a compensating duty of only $27\frac{1}{2}$ cents, while the wool in them, if imported, would cost $38\frac{1}{2}$ cents. For this reason, the dividing line was fixed as it is in the Dingley bill."

(h.) *The Committee on Finance.*

The Committee on Finance did not reduce the duty on tops, but on the contrary yielded to the wool growers' demand that it be made prohibitory.

The Committee on Finance reported the bill to the Senate with about eight hundred amendments. Among the sections so amended was Section 362, which was stricken out and in its place was substituted the following:

"362. Wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition not specially provided for in this Act shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this Act."

This proposed change was at once called to the attention of the wool manufacturers by leaflet distributed among its members, which was reprinted in the June number of the Bulletin of the National Association of Wool Manufacturers, which appeared early in that month. This leaflet stated:

"Schedule K as reported by Senate Finance Committee, May 4, 1897; The alterations in the wool and woolen schedule of the House Bill by the Senate Finance Committee, some of which are very radical, are indicated below. . . .

362. 'Tops, etc.' This paragraph is stricken out and a new one substituted which reads thus:

'Wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition not specially provided for in this Act, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this Act.'

This is practically the same as the corresponding provision in the McKinley law."

The National Association of Wool Manufacturers did not, however, succeed in securing any change in the Senate of the provision relating to wool tops.

Section 362 was not amended in the Senate except by changing the number of the section to 364, and in that form the bill was sent back to the House for concurrence.

(i.) *The Conference Committee.*

The House refused to concur in the Senate amendments, and a Conference Committee was appointed. This committee, in which the House Managers were Messrs. Dingley, Payne, Dalzell, Hopkins, and Grosvenor, and the Senate Managers, Messrs. Allison, Aldrich, Platt, Burrows, and Jones, recommended: "That the House recede from its disagreement to the Amendments of the Senate numbered 359, 360, 361, 362, 363, and 364, and agree to the same."

In the report submitted by the Managers of the House as to the effect of the agreement reached by the conferrees on the disagreeing amendments of the two Houses, appears the following in respect to wool and woollens:

"The House rates on wool of 11 cents on Class 1 and 12 cents on Class 2 are adopted, and the Senate specific rates on carpet wools agreed to with a modification raising the dividing line so as to place a duty of 4 cents per pound on such wools valued at 12 cents and less, and 7 cents on such wools valued at more than 12 cents. The duties on manufactures of wool are placed at substantially the same rates as in the Act of 1890."

The report of the Conference Committee was accepted by both Houses, and the Senate provision fixing the duty on tops then became a law against the protest of Messrs. Whitman and North representing the manufacturers.

Fourth: THE DISAPPOINTMENT OF THE WOOL MANUFACTURERS.

The disappointment of the National Association of Wool Manufacturers at this provision in relation to tops is further shown by the following passages in the article in the Bulletin of the National Association of Wool Manufacturers, Vol. 27, 1897, September number, entitled "The Textile Schedules of the Tariff of 1897, Particularly the Wool and Woollen Schedule by S. N. D. North," page 236:

"Thus the bill went into conference in a shape more extreme than it had passed the House. The report of the Conference Committee was a compromise between the two Houses, in which the wool growers secured higher all-round rates than had been given them by either House acting separately."

From the same article, pages 255 and 256:

"Tops, rovings, and ropings are not specially enumerated, but are dutiable under the basket paragraph 364, the same as cloths, which is the precise disposal made of these partially manufactured articles in the Act of 1890. The original House Bill made a much more scientific disposal of these articles by classifying rovings and ropings with yarns and applying graded duties to tops which bore the proper relationship to the duties on worsted yarns."

The restoration of the 1890 rates on these semi-manufactured products was done against the recommendation of the manufacturers because of a fear on the part of the representatives of the wool growers that the lower duties proposed might hide some loophole by resort to which the duties on raw wool could be somewhat evaded. It is needless to add that under these rates of duty the importation of tops is prohibited."

It thus appears that the prohibitory duty on tops imposed by the Dingley tariff was adopted in spite of the protest of Mr. Whitman and Mr. North, and because of the insistent demands of the wool growers, with whom Frank P. Bennett was actively allied; and that Mr. Bennett is endeavoring, through his anonymous pamphlet, to mislead the Committee on Ways and Means and the public by groundless charges supported by garbled reports of correspondence.

Boston, January 2, 1909.

After this statement had been prepared the following letter was received from Mr. Theodore Justice, too late to be incorporated with it:

PHILADELPHIA, Feb. 4th, 1909.

MY DEAR MR. WHITMAN:

I learn that you have prepared a statement of the facts concerning the provision in the Dingley Tariff relating to wool tops, which you propose to submit to the Ways and Means Committee.

In this connection, you may care to have a copy of the letter I wrote Mr. S. N. D. North under date of December 22nd, 1908 on this subject.

As I recall it, illness prevented your attendance in Washington while the bill was passing through its latest stages, and my letter may furnish you with some details with which you are not familiar.

Yours very truly,

THEODORE JUSTICE.

WILLIAM WHITMAN, Esq.,
75 Chaubey Street,
Boston, Mass.

PHILADELPHIA, December 22nd, 1908.

MR. S. N. D. NORTH, 1414 21st Street, Washington, D.C.

MY DEAR MR. NORTH: — In the early part of this week I called upon Senator Carter of Montana. I was shown into his den where he and ex-Senator Chandler were discussing the mystery of the disappearance of wool tops, speculating as to how at times they had been specifically named in the various tariff acts, and how at other times they disappeared and were gathered into the "Basket Clause" which gathers in all the unenumerated articles. At present wool tops are in the latter class, and the Senators were debating as to how they had been placed there when I entered the room.

I explained that the late Judge Lawrence, more than any other man, was responsible for the placing of wool tops in the basket clause; he was interested because wool tops at one time had been broken up in pieces, in which form they had been given the commercial name of "waste," and under this name were passed through the Custom Houses at 50 cents per pound below their proper duty.

Judge Lawrence's interest in it was mainly owing to the fact that every pound of imported waste, broken tops, or top unbroken, took the place of three or four pounds of American unwashed wool.

The Courts had decided that commodities should be assessed for duty according to their commercial name, and wool tops were given the commercial name of "waste." His contention was that if they were specifically named as wool tops, their commercial name might be changed to "bottom," and as there had been so much trouble with tariff evasion on wool tops, it was not safe to specifically name them, for the temptation of 50 cents per

pound profit to the importers was sufficient to induce them to employ the keen lawyers to show them how to circumvent the tariff. Importers who for years have had the advantage of 50 cents a pound profit, and who have had a taste of blood, as it were, were on the alert when the tariff law was being made with various schemes to get wool tops so named that they could again import them at some low duty, as they had done for so many years under the law of 1883.

Judge Lawrence was frequently in Washington on this errand; he button-holed Congressmen, ever pouring into their ears the fact that conspirators were at work on wool tops to so frame the schedule that the intention of the framers of the Act could be avoided in the courts, and he succeeded in convincing the Senators and Representatives from wool-growing sections that the naming of tops specifically was inimical to the wool-growing industry.

He cited as the basis for his argument the well-known fact that during Cleveland's first administration millions of pounds of tops, which should have been dutiable at 60 cents per pound, were broken up and imported under the commercial name of "waste" at a duty of only 10 cents a pound, which then was the duty upon shoddy, rags, waste, etc.

When the Government raised the duty to 60 cents per pound at the Custom Houses, the importers brought suit against the Government. The Courts always decided against the Government, making the shoddy duty legal on broken tops. District Attorney Reed obtained a commission from the Government and went abroad and there found machinery in use for the purpose of breaking tops up into irregular lengths, so that this article could be imported under the commercial name of waste.

You will remember that tops were not specifically mentioned in the tariff law of 1883, and when the Hon. Columbus Delano, Judge Lawrence, William Whitman, you and I and many others were called by McKinley to give him expert information on Schedule K, the question of the proper place in that schedule for wool tops was thoroughly debated, and in some of the drafts of the McKinley Act they were specifically mentioned, but through Judge Lawrence's influence they were again put into the unenumerated articles, or in the so-called "Basket Clause."

After that the interests of growing wool and manufacturing wool were so conflicting that Mr. McKinley proposed that we call a convention in Washington and frame Schedule K so that it would be just and fair to both the wool grower and the manufacturer, and the consumer as well. Schedule K of the McKinley Act was the result of that convention in which you and I took an active part and, as you know, the McKinley Act was succeeded by the Wilson Act, which again in turn was succeeded by the Dingley Act, and Schedule K of the Dingley Act is the McKinley Schedule K revised and improved. Many of those who were active in assisting Mr. Dingley have passed away, and among them Judge Lawrence — the ablest of all the wool advocates; he was an able lawyer, and a broadly national, public-spirited, consistent protectionist.

Now that so many of the actors in that drama have gone, and new men have come to the front to handle the subject, it is important that those of us

who are still here, and who were then engaged in the discussion of the subject of the proper place for wool tops in Schedule K, should be heard.

The foregoing is in substance what I said to Senator Carter and ex-Senator Chandler. The latter asked me to communicate to you what I said to them. There is no mystery about it whatever. A false impression has been created by a certain Massachusetts party who wished to gratify a grudge, and who used the question of wool top for that purpose, and those who are familiar with the circumstances are aware that this party is thoroughly contemptible and his vindictive purposes should be disregarded by honest men.

Very truly yours,

THEODORE JUSTICE.

**TABULAR STATEMENT OF SHRINKAGES FROM WOOL
AND YARN TO CLOTH IN SAMPLES EXHIBITED
TO THE COMMITTEE ON WAYS AND MEANS, JAN-
UARY 12, 1909.**

ALL WOOL WOOLEN CLOTHS YARNS MADE BY EXHIBITOR).

*Number of pounds of GREASY Wool required to make one pound of
Finished Cloth.*

Sample Mark.	Pounds Required.	Character and Class of Wool.	Manufacturer.
Silesian Twill.....	3.69	{ 50% Unwashed Australian... }	S. Slater & Sons, Inc.
444.....	4.64	{ 50% Washed Ohio..... }	" " "
		Unwashed Domestic.....	
A.....	3.52	Texas and California.....	Talbot Mills.
B.....	3.52	" " ".....	" " "
Uniform Cloth.....	4.33	Fine Domestic Wool.....	Rock Manufacturing Co.
A.....	4	Domestic.....	American Woolen Co.
B.....	3.5	Australian.....	" " "
C.....	3.5	".....	" " "
D.....	4	Domestic.....	" " "
TC.....	3.16	XX Ohio Washed Clothing....	Globe Woolen Co.
13.....	3.16	" " ".....	" " "
1.....	3.44	70s Unwashed Australian.....	Waterloo Mfg. Co.
2.....	4.19	Ohio and other Domestic.....	" " "
5600.....	4.56	Fall California.....	George F. Kunhardt.
6000.....	3.16	California and Territory.....	" " "
1.....	3.23	Unwashed Domestic.....	Forstmann & Huffmann Co.
2.....	3.23	" " ".....	" " "
3.....	3.23	" " ".....	" " "
4.....	4.17	" Foreign.....	" " "
5.....	4.17	" " ".....	" " "
6.....	3.03	" " ".....	" " "
7.....	4.17	" " ".....	" " "
A.....	3	Unwashed Australian, Geelong	Thomas Oakes & Co.
B.....	4.16	XXX Unwashed Territory....	" " "
C.....	3.70	" " Ohio.....	" " "
D.....	4.05	" " Territory.....	" " "
E.....	3.84	Unwashed Cape.....	" " "
1.....	3.35	Australian Wool.....	John & James Dobson.
2.....	4.06	{ 50% Australian..... }	" " "
3.....	4.12	{ 50% Montana..... }	" " "
4.....	4.81	Ohio Wool.....	" " "
		Nevada or Similar Wool.....	" " "
1.....	4.10	Ohio Wool.....	Middlesex Co.
2.....	5	Idaho ".....	" "
31 ounce Overcoat- ing.....	3.90	.....	Hockanum Co.

Number of pounds of SCOURED Wool required to make one pound of Finished Cloth.

Sample Mark.	Pounds Required.	Character and Class of Wool.	Manufacturer.
Silesian Twill.....	1.30	{ 50% Unwashed Australian .. }	S. Slater & Sons, Inc.
444.....	1.30	{ 50% " Ohio..... }	" " " "
		Unwashed Domestic.....	
A.....	1.33	Texas and California	Talbot Mills.
B.....	1.33	" " "	" " "
Uniform Cloth	1.39	Fine Domestic	Rock Manufacturing Co.
A.....	1.41	Domestic.....	American Woolen Co.
B.....	1½	Australian	" " "
C.....	1½	"	" " "
D.....	1.41	"	" " "
TC.....	1.41	XX Washed Ohio Clothing ...	Globe Woolen Co.
13.....	1.41	" " " "	" " "
1.....	1.50	70s Unwashed Australian.....	Waterloo Mfg. Co.
2.....	1.50	Unwashed Domestic Fleece....	" " "
5600.....	1.27	Fall California	George E. Kunhardt.
6000.....	1.20	California and Territory	" " "
1.....	1.28	No. 11 Unwashed Domestic ..	Forstmann & Hufmann Co.
2.....	1.19	" " " "	" " "
3.....	1.23	" " " "	" " "
4.....	1.28	" 10 " Foreign	" " "
5.....	1.28	" " " "	" " "
6.....	1.23	" 12 " "	" " "
7.....	1.28	" 10 " "	" " "
A.....	1.44	Unwashed Australian, Geelong,	Thomas Oakes & Co.
B.....	1.41	XXX Unwashed Territory	" " "
C.....	1.40	" " Ohio	" " "
D.....	1.38	" " Territory	" " "
E.....	1.38	Unwashed Cape.....	" " "
1.....	1.44	Australian Wool.....	John & James Dobson.
2.....	1.44	{ 50% Australian Wool	" " "
3.....	1.44	{ 50% Montana "	" " "
4.....	1.44	Ohio Wool	" " "
		Nevada or similar Wool.....	" " "

ALL WOOL WORSTED CLOTHS (WORSTED YARN SPUN BY EXHIBITOR).

Number of pounds of Wool in the GREASE required to make one pound of Finished Cloth.

Sample Mark.	Pounds Required.	Character and Class of Wool.	Manufacturer.
1.....	3.34	Unwashed Domestic	American Woolen Co.
3.....	4.24	“ Territory	“ “ “
2.....	4.34	“ “	“ “ “
4.....	4.55	“ “	“ “ “
5.....	3.37	“ Australian	“ “ “
6.....	3.37	“ “	“ “ “
F.....	3.70	Ohio Delaine	Thomas Oakes & Co.
G.....	3.85	“ “	“ “ “
H.....	4	Fine Territory	“ “ “
I.....	3.70	Ohio Delaine	“ “ “
1103.....	2.56	Ohio $\frac{3}{8}$ Unwashed	Globe Woolen Co.
319 $\frac{1}{2}$	2.93	80s Australian	“ “ “

Number of pounds of SCOTCH Wool required to make one pound of Finished Cloth.

Sample Mark.	Pounds Required.	Character and Class of Wool.	Manufacturer.
1.....	1.64	Unwashed Domestic	American Woolen Co.
2.....	1.70	“ Territory	“ “ “
3.....	1.78	“ “	“ “ “
4.....	1.54	“ “	“ “ “
5.....	1.61	“ Australian	“ “ “
6.....	1.61	“ “	“ “ “
F.....	1.41	Ohio Delaine.....	Thomas Oakes & Co.
G.....	1.42	“ “	“ “ “
H.....	1.44	Fine Territory	“ “ “
I.....	1.41	Ohio Delaine.....	“ “ “
1103.....	1.40	Unwashed $\frac{3}{8}$ Ohio	Globe Woolen Co.
319 $\frac{1}{2}$	1.54	“ 80s Australian	“ “ “

ALL WOOL WORSTED CLOTHS (WORSTED YARNS PURCHASED BY
MAKER).

*Number of pounds of WORSTED GRAY YARNS required to make one pound
of Finished Cloth.*

Sample Mark.	Weight of Goods.	Ounces Required.	Character and Class of Worsted Yarn.	Manufacturer.
	Ounces.			
	21	19.8	Australian.....	Hockanum Co.
	21	19.8	".....	" "
	21	19.8	".....	" "
	21	19.8	".....	" "
	22	19.6	".....	" "
	22	19.6	".....	" "
	22	19.6	".....	" "
	18.5	19.6	".....	" "
160.....		17.3	Fine Medium Territory.....	George E. Kunhardt.
180.....		17.3	Australian and Territory.....	" " "
300.....		17.5	Fine Medium Territory.....	" " "
1.....		17.3	.....	Staudish Worsted Co.
2.....		17.8	.....	" " "
3.....		17.4	.....	" " "
4.....		17.4	.....	" " "
XXXX.....		17.6	Australian.....	Dunn Worsted Mills.
XXX.....		17.8	" and Domestic.....	" " "
PX.....		18.5	Domestic.....	" " "

LETTER OF CHARLES H. HARDING, OF PHILADELPHIA, PA.,
TO HON. JOHN DALZELL. AD VALOREM WOOL
DUTIES INADVISABLE.

PHILADELPHIA, December 9, 1908.

HON. JOHN DALZELL, *Washington, D.C.*:

DEAR SIR: Believing that your committee welcomes all information founded on facts of personal knowledge and experience, I venture to furnish you a copy of the pertinent parts of my letter of 1897, with some things with which I am familiar:

MARCH 16, 1897.

Let me commend the work of the committee as we now see it published, as it relates to the woolen schedule, in the adoption of specific duties and the arrangement of the duties on "yarns of wool." While I still think the rates and form we offered first are better, it is a great step in advance to get away from the old ad valorem form. . . . But allow me to call your attention to one or two things: 1. The bill as appearing in the newspapers this morning leaves "roving and roping" in the paragraph with tops, while the evident intention is to put them with yarns, where they belong, as they are in a stage of manufacture beyond the condition known as "tops."

2. The duty proposed on tops and on noils is higher than is necessary: we are makers of both, and so the higher duties may seem to be to our advantage; but they are not, and I would sooner see the arrangement originally suggested — that is, "tops of the value of 24 cents or less at the compensatory duty with 6 cents per pound additional, and tops of the value of more than 24 cents per pound at the compensatory duty with 8 cents per pound additional." This covers the extra cost of making in this country, and that is enough. If the duty on noils is placed at 20 cents (or 60 per cent of the duty on scoured wool of the first class) it will correspond as nearly as may be with the difference in value in our own and foreign markets between fine noils and fine scoured wools. More than this is of little or no use to the wool grower and may oppress the makers of "woolen" yarns and goods, as distinguished from "worsted" yarns and goods.

3. The duty on "top waste, etc.," ought not to be less than the duty on the scoured wool. . . .

C. H. HARDING.

AD VALOREM DUTIES ON WOOL.

The apparent fairness of this proposition is like that of all proposals advocating this form of duty; but the fairness of its possible application vanishes when we look at the conditions that may arise.

Its advocates state that there is no difficulty in arriving at the prices paid for wools sold abroad at auction. But English wools, Irish wools, South American wools, and many others, as a rule, are not sold at auction and are thus outside this statement. It then remains to consider the wools sold at London and Australia by auction. Herewith you find specimen pages from a catalogue of one day's offering in London; the whole catalogue including from 10,000 to 15,000 bales, as the case may be. He will be a wonderful man who can exactly determine, as a rule, how to apply to an invoice of wool arriving at an American port the varying prices that lots marked (1) (1) (1), (2) (2), (3) (3) (3), or others may bring; and if fraud is attempted, what constraint will bring the invoices to the ports of New York, or Philadelphia, or Boston, where the needed expert mercantile appraiser and the information, and the merchants with experience are likely to be found? Having been the buyer in London for our firm for twenty-five years, and having in ten of those years spent a month or more of each year at the wool auctions, I am convinced that few enterprises would offer better profits or be safer from trouble at the hands of our laws than sending to this country foreign wools undervalued. The honest importers and manufacturers who now bring in these honestly, under the specific duty, would probably find their business vanish. We are nearly, if not quite, as large importers of fine Australian warp wools as are in this country, and know that there are mercantile reasons quite apart from the "duty" that hinder the importation of the very heavy wools from Adelaide, South Australia, West Australia, Buenos Ayres, South Africa, and like centers of production of such wools. If they ever could have been largely and profitably brought here, it might have been done during the time when wool was "free;" that it was not done to any appreciable extent is certain, except possibly at the port of Marcellus, N.Y. It may

be interesting to know how much went there at that most favorable time for such business.

THE COMPENSATING DUTY.

By what mental process this is so constantly represented as "44 cents" is not easy to see, when the yarn paragraph (365) mentions only "two and one-half times" and "three and one-half times" the 11-cent duty on wool—respectively $27\frac{1}{2}$ and $38\frac{1}{2}$ cents; and paragraph 367 specifies in the same way 22 and 33 cents as the compensating duties for articles not valued at over 50 cents; and paragraph 366 names 33 cents as the compensating duty on the cheaper class of goods (mainly from coarser wools) valued at not over 40 cents per pound. Thus in every way is the effort made to have this compensating duty of "44 cents per pound" fall only on the fine goods from fine wools, where only it belongs, as the makers of fine goods have always claimed it is vital.

THE FAMOUS CATALINA BREED OF SHEEP.

From a stay of some weeks on Catalina island, about shearing time, I am of the opinion that the story originated in the mind of some one of the fishermen for which that island is so famous when he was plying his collateral trade of story-telling.

With regret at the necessary length of this communication, I am

Yours respectfully,

C. H. HARDING,
Treasurer The Erben-Harding Company.

LETTER OF WM. H. GRUNDY & CO., BRISTOL, PA., ON COMPENSATORY DUTIES.

BRISTOL, PA., January 1, 1909.

HON. EBENEZER J. HILL, *House of Representatives, Washington, D.C.*

DEAR SIR: In print 41 of December 22 last I have read with much interest your examination of the government expert, Mr. Clark, on the compensatory duties on wool as to the amount necessary to offset in goods various shrinkages of wool. The position you took I desire to most heartily indorse as being correct; also, as one familiar with the business, I would desire to state that 75 per cent of the wool grown in this country will shrink in the neighborhood of from 60 to 80 per cent. Furthermore, not over 20 per cent of the wool that is grown east of the Mississippi River will have a shrinkage of 50 per cent or less.

There is one phase of the question, however, which Mr. Clark in his testimony either unintentionally or otherwise failed to touch upon, and which I am certain you will think as important when you recall the fact that of the wool used in this country for the clothing of the people, 70 per cent at least of it first passes over worsted cards and combs in the course of its manufacture into worsted yarns and worsted goods, and involves thereby an enhancement in value, or dissipation of the benefits of the compensatory duties, due to the loss incurred in the disposition of the noil and card waste as well as the invisible loss and loss of waste in the drawing and spinning operations into worsted yarns.

I am only competent to testify on the combing and spinning proposition, for the reason we are only engaged in these two processes of manufacture, consequently the weaver will have to give to you the further loss incurred between worsted yarns and goods.

In order to place this matter before you in its proper light, I have taken a fac simile covering a thousand pounds of wool, first without duty and reduced to a scoured pound, and then the same

quantity of wool with the duty added carried forward into tops and then into yarns, with only the enhanced costs due to the depreciation of the by-products and invisible loss which we sustain in putting scoured wool into a pound of yarn.

Wool to Top.

Foreign cost :

1,000 pounds wool, at 15 cents	\$150.00
650 pounds loss in scouring.	
<hr/>	
350 pounds scoured wool, at 42.85 cents per pound.	

Foreign cost, duty added :

1,000 pounds wool, at 26 cents per pound.....	\$260.00
650 pounds.	

350 pounds wool scoured. at 74.28 cents per pound.

Produces :

58½ pounds noil, at 45 cents	\$26.32
1¼ pounds combing waste, at 74 cents.....	.92
4¾ pounds card waste, at 5 cents .....	.24
	<hr/>
	27.48
285½ pounds top, at 81.44 cents cost	\$232.52

Wool to Yarn.

Shrinkages :

1,000 pounds wool to wash.	
650 pounds loss in washing, 65 per cent.	

350 pounds wool to cards.
4¾ pounds loss in cards, 1.35 per cent.

345¼ pounds.
1¼ pounds comb waste.

344 pounds wool to combs.
58½ pounds noil, 17 per cent.

285½ pounds top, 83 per cent.
285½ pounds top, at 81.44 cents, \$232.52
14¼ pounds waste, at 45 cents 6.41
281½ 14¼ pounds loss

257 pounds.

\$226.11 = 88 cents per pound in yarn.

In your argument with Mr. Clark you took a 65 per cent shrinkage wool as a base of your figures as about being protective in the woollen industry at the ratio of 4 to 1 in cloth. As before mentioned, the worsted industry uses about 70 per cent of the wool that is put forward over cards and combs toward the cloth-

ing of the American people, and I would beg that you inspect what happens to a 65 per cent shrinkage wool when used by this industry.

I have no doubt this "working drawing" will be quite clear to you, but possibly a few words in explanation might aid in making it more promptly comprehended.

To begin with, we take a thousand pounds of wool, at 15 cents a pound, or a cost of \$150. This wool, with a 65 per cent shrinkage would leave 350 pounds scoured wool, which, with the same value of \$150, would be enhanced in its scoured cost from 15 cents in the grease to 42.85 cents.

Now, taking a similar amount of wool having a 65 per cent shrinkage, costing 15 cents plus 11 cents duty, would be 26 cents per pound, or \$260, losing in scouring 650 pounds, would leave the same 350 pounds of scoured wool, which when divided into \$260 would show a cost scoured of 74.28 cents per pound. This wool would next be put over cards and combs and would show a loss of at least 17 per cent in noils and 1.35 per cent in card waste. Out of 350 pounds of wool, with 17 per cent noil, would be produced 58½ pounds of noil, 1¼ pounds of comb waste, and 4¾ pounds of card waste. The noils are usually worth 60 per cent of the price of the scoured wool from which they are made; consequently, would be a value of 45 cents a pound. The comb waste is equal in value to the scoured wool and the card waste or shoddy is worth about 5 cents a pound, so the total value of 58½ pounds of noil plus the 1¼ pounds of comb waste plus the 4¾ pounds of card waste would be \$27.48, which, deducted from the original value of the scoured wool, would leave a value of \$232.52, which would be the cost of the 285½ pounds of top produced from the 350 pounds of scoured wool, which in turn would thus be enhanced upon the scoured wool to top to 81.44 cents.

Now, in the process of taking tops and putting them through the operations of drawing, spinning, twisting, reeling, or warping, as the demands of our customers would require, there is a loss of 10 per cent in these operations, one-half of which is recoverable in various kinds of wastes. We therefore proceed with the 285½ pounds of top at 81.44 cents per pound, or a total value of \$232.52. Five per cent, or 14¼ pounds of waste, we take to be of average value of 45 cents a pound, or a total value

of \$6.41. This deducted from \$232.52 leaves \$226.11, which, divided by the 257 pounds of worsted yarn we get from the 285½ pounds of top, would show that the average cost per pound of the yarn would be 88 cents, or, in other words, a 65 per cent shrinkage wool would be enhanced by the addition of 11 cents a pound duty from a scoured cost of 42.85 cents to 88 cents per pound when put forward into worsted yarns by reason of the loss involved in the combing and spinning operations, or a little over 45 cents a pound.

You will clearly see from this what would happen to a man importing a 65 per cent shrinkage wool for the purpose of making worsted yarn as against the finished yarn coming through the custom house out of similar shrinkage wools at a compensatory duty of three and a half times the duty on unwashed wool, or 38½ cents.

It is only fair to say that the foreigner would have losses and increased costs in yarn in putting scoured wool forward into tops and yarn, but as the scoured wool starts on a so much lower basis the difference between the waste products and the invisible loss in manufacture does not bear anything like as heavy on the pound of finished yarn as it does after the addition of the duty. Furthermore, your argument with Mr. Clark was based entirely on the amount of the compensatory duty to cover the 11 cents on wool as a straight proposition.

We appreciate the splendid stand you took on this question and the clear understanding you appear to have of the reasons for the compensatory duty, which understanding up to this time has been so sadly lacking both by the committee and those who appeared before it on behalf of our industry.

There are a number of other questions which bear upon this compensatory question which are of great importance to the spinners and manufacturers and ought to be placed properly before you. If you would think this matter of enough importance to grant one or two of us an interview, we would be only too glad to go into the whole subject with you, or if in your passing from the East to Washington or back to your home in Connecticut you could stop off a couple of hours at our plant, we could give you a demonstration of this industry which would be thoroughly convincing to you of the vital necessity for the full measure of the compensatory duty.

In writing you we do not approach this subject as one antagonistic to the duty on wool. On the contrary, we are strong believers and supporters of it in its present form and rates and believe an injustice would be done by any change in them; at the same time we feel that the spinners and manufacturers should not be injured by the desire of the Government in this direction, and that the Government should properly comprehend the importance of the compensatory duty not only for the well-being of the spinners and manufacturers, but to enable them to hand back to the grower the advance in their wool comprehended by the Congress in the rate of duty imposed on that article.

Very truly yours,

WM. H. GRUNDY & Co.

LETTER OF J. CAPPS & SONS, JACKSONVILLE, ILL., ON THE
RETENTION OF PRESENT DUTIES.

JACKSONVILLE, ILL., January 16, 1909.

HON. HENRY S. BOUTELL, *House of Representatives, Washing-
ton, D.C.*

DEAR SIR: As the Representative from our State on the Ways and Means Committee, we desire to earnestly impress upon you that any change in the present tariff schedule for wool and woolens would be most disastrous to the great industry which is completely dependent upon the protection afforded by the rates now in force. Knowing, as we do, that you are thoroughly in sympathy with the protective system, it is of course quite unnecessary for us to offer any argument in justification for import duties that shall be adequately protective to American labor, and to investment in plants that have been erected and equipped at a cost, increased over that of similar foreign plants, by the protection accorded to builders of machinery, mill equipment, and supplies.

But with regard to the propriety of the rates of duty in the present law, we would like to say, briefly:

1. The duty on raw wool we believe to be necessary to the continuance and development of the important business of sheep husbandry. The desirability of having an abundant domestic supply of wool, with a corresponding increase in our domestic food resources, is not seriously questioned by any one. There is only to be considered whether the wool duty is essential to this end, and as to this we refer to the convincing testimony of the wool growers who recently appeared before your committee, and also to the enormous decrease in the production of American wool and mutton which has resulted from previous reduction in the important duties on raw wool.

2. The compensatory duties on the products of wool, which are levied for the purpose of protecting the wool grower by applying to the wool in imported manufactured products a duty equal to what it would have paid if imported in its natural state, need no better justification than the clear and concise statement of Representative Hill, of your committee, which appears on

pages 5948 and 5952 of No. 41 of the first print tariff hearings, December 22, 1908, of your committee.

3. The protective (or ad valorem) duty on the manufactures of wool can be justified by abundant testimony, and ample data can be submitted to show the necessity for these rates; but we feel confident that this is unnecessary, as you, of course, are thoroughly familiar with the fact that at a time when the Democratic party was in control of Congress, and a tariff law was enacted that was avowedly intended to reduce the import duties as much as possible, the ad valorem rates on manufactures of wool were substantially the same as those of the present. We assume that those who believe in the policy of protection to American labor and industry will fully realize the need of rates of duty at least as high as those enacted in the Wilson bill by a Democratic Congress. If justification be needed for a continuance of the present rates, it is certainly to be found in the fact that under the present law wages have so considerably advanced that the difference between the earnings of American and European operatives is greater now than when the present duties were determined as proper; and in the further fact that under the influence of the present law there has been a constant development of the woolen industry and improvement in the qualities of the products, so that American mills are now able to supply all the woolen and worsted clothing required by the entire population of the country; and, moreover, are also producing qualities equal to those of their foreign competitors - a large portion of these finer qualities, unfortunately, reaching the consumer under the designation of imported goods.

In connection with this subject, we commend to your consideration the fact that in none of the various branches of the woolen industry is there any so-called "trust" or combination in restraint of trade; that no single corporation or interest exercises a controlling or dominating influence in the industry; that no individual or concern in the woolen industry has appeared as a violator of the federal laws relating to interstate commerce; that none of the great individual fortunes accumulated in this country have been created in the manufacture of woolen goods.

Very respectfully yours,

J. CARP & SONS (LTD.).

LETTER OF UNITED STATES BUNTING COMPANY, LOWELL,
MASS., ON COST OF PRODUCTION.

LOWELL, MASS., January 26, 1909.

HON. SERENO E. PAYNE, *Chairman Ways and Means Committee,
House of Representatives, Washington, D.C.*

SIR: At the request of Hon. Butler Ames, Member of Congress from the Fifth District of Massachusetts, I beg to submit herewith Sample $\diamond 85 \diamond$ of fine worsted coating made by the United States Bunting Company, with figures showing cost of production as follows:

A. — United States Bunting Company, costs showing method of figuring.

B. — English, costs showing method of figuring.

C. — Cost of producing yarn, the raw material in above tables.

D. — Comparative proportion of material and labor and general expense (the last including power, rent, supplies, etc.) in above costs.

E. — Amount of protection per yard afforded by a specific duty of 44 cents per pound and an ad valorem duty of 55 per cent, the present duty.

F. — Amount of protection per yard afforded by a specific duty of 32 cents per pound (*i.e.*, based on a duty of 8 cents per pound on wool) and an ad valorem duty of 50 per cent.

A. — United States Bunting Company.

[Season, spring, 1909.]

[Fabric, No. 85. Yards yarn, dressed, 56.]

Reed, 4 x 17 x $67\frac{3}{4}$ ".

Draft, 8 bar.

Loom:

Length, $51\frac{1}{2}$ ".

Width, 69".

Weight, 12.3.

Shrink, .07.

Finished:

Length, 50".

Width, 56".

Weight, 12 ounces.

Shrink, .03.

Weight of warp.....	20.38
Weight of filling.....	19.25
Total	39.63
Cost mgr. above yarn, 39.4.	
Selling weight, 12 ounces.	

Ends and picks.	Description.	Lot no.	Calcu- lated weight.	Per cent.	Actual weight.	Total cost.	
List 80.....	{ 2/46 mix ...	Aust...	20.38	.....	20.38	1.50	\$30.57
4608					19.25	1.50	28.88
72 picks	2/48 mix ...	do ..	20.70	.07	39.63		
12.3 ounces per yard						\$59.45	
Waste, 5 per cent.....						2.97	\$62.42
Dressing and drawing in, 56, at 2½ cents.						\$1.26	
Job weaving, 51½ yards, at 12 cents						\$6.18	
Weaving expense, 40 per cent.....						2.47	
						8.65	
Burling, 51½ yards, at 1 cent .....						.52	
Sewing, 51½ yards, at 2 cents.....						1.03	
Finishing, 50 yards, at 5 cents.....						2.50	
General expense, 93% of contingency \$6.18						5.75	
							19.71
Net yards, 50.							\$82.13
Total cost, \$1.643							

B. — English Manufacturer.

[Fabric, No. 85. Yards yarn, dressed, 56.]

Reed, 4 x 17 x 67¾".

Draft, 8 har.

Loom :

Length, 51½".

Width, 69".

Weight, 12.3.

Shrink, .07.

Finished :

Length, 50.

Width, 56.

Weight, 12 ounces.

Shrink, .03.

Weight of warp..... 20.38

Weight of filling..... 19.25

Total 39.63

Cost mgr. above yarn, 22.14

Selling weight, 12 ounces.

Ends and picks.	Description.	Lot no.	Calculated weight.	Per cent.	Actual weight.	Total cost.		
List 80.....	{ 2/46 mix ...	Aust ..	20.38	....	20.38	91½	\$18.55	
4608		do ...	20.70	.07	19.25	91½	17.61	
72 picks	2/48 mix.....				39.63			
= 12.3 ounces per yard..							\$36.16	
Waste, 5 per cent.....							1.82	\$37.98
Dressing and drawing in, 56, at 1½ cents.....							\$0.70	
Job weaving, 51½ yards, at 6 cents.....						\$3.09		
Weaving expense, 40 per cent.....						1.23½		
Burling, 51½ yards, at ½ cent.....							4.32½	
Sewing, 51½ yards, at 1 cent. ....							.25½	
Finishing, 50 yards, at 2½ cents.....							.51½	
General expense, 104% contingency							1.25	
							3.21	10.26
Net yards, 50.								\$48.24
Total cost, 96.5 cents.								

C. — Cost of producing yarn used in sample of cloth No. 85.

	United States Cost.	Foreign Cost.
Wool cost	\$0.42	\$0.31
Cost of tops without labor after deducting noils, waste, shrinkage, etc.	\$1.05	\$0.775
Add labor and expense of sorting, scouring, carding, and combing ...	.0632	.0355
Cost of coloring.....	.05	.0310
Total cost of colored tops.....	\$1.1632	\$0.8415
Allowance for waste made in drawing, spinning, and twisting.....	.0618	.0435
Total cost of stock in 1 pound of yarn	\$1.2250	\$0.8850
Cost of spinning.....	.2750	.1050
Cost of yarn.....	\$1.50	\$0.99
Allow on account of cheaper wool .....	....	.075
		\$0.915

This allowance is made because wool suitable for importation is not in large supply and is therefore increased in price by the demand from the United States. The heavy and greasy wools which cannot be imported, because of the specific duty, are correspondingly depressed in price.

D. — Sample of cloth No. 85.

[Per yard.]

	If made in England.		If made in United States with 8 Cents Duty on Wool.		If made in United States with 11 Cents Duty on Wool.	
	Cost.	Per Cent of Total.	Cost.	Per Cent of Total.	Cost.	Per Cent of Total.
Material	\$0.6169	64	\$0.8540	54	\$0.9250	56
Labor and expense.....	.3481	36	.7180	46	.7180	44
	\$0.9650	.....	\$1.5720	.....	\$1.6430	.....

E. — Sample of cloth No. 85. — Table showing amount of protection per yard afforded by a specific duty of 44 cents per pound (i.e., based on a duty of 11 cents per pound on wool) and an ad valorem duty of 55 per cent.

	Foreign Cost.		United States Cost.	Protection in Cents Per Yard.
	In England.	With Duty Added.		
Material.....	\$0.6169	.....	.....	.....
Specific duty, 12 ounces, at 44 cents per pound ...	.33	\$0.9469	\$0.9250	\$0.0219
Labor and expense .....	.3481	.....	.....	.....
Ad valorem duty at 55 per cent.....	.5307	.8788	.7180	.1608
Total.....	.....	\$1.8257	\$1.6430	\$0.1827

As shown above the compensating (specific) duty affords an incidental protection of but 2.19 cents per yard. It is apparent, therefore, that the specific duty, based on the theory that 4 pounds of wool is required to make 1 pound of cloth, is a true compensating and not a protective duty.

The ad valorem duty of 55 per cent, giving protection to the wages of the work people, is ample for its purpose.

F. — Sample of cloth No. 85. — Table showing amount of protection per yard afforded by a specific duty of 32 cents per pound (i.e., based on a duty of 8 cents per pound on wool) and an ad valorem duty of 50 per cent.

	Foreign Cost.		United States Cost.	Protection in Cents Per Yard.
	In England.	Duty Added.		
Material	\$0.6169	.....	.....	.....
Specific duty, 12 ounces, at 32 cents per pound...	.24	\$0.8569	\$0.8540	\$0.0029
Labor and expense .....	.3481	.....	.....	.....
Ad valorem, 50 per cent .....	.4825	.8306	.7180	.1126
Total .....	.....	\$1.6875	\$1.5720	\$0.1155

It appears from the above table that the compensating duty affords no incidental protection whatever. The 50 per cent ad valorem duty is as low as it should be placed if excessive importations are to be avoided. This was the rate fixed by the law of 1894 under which the importation of cloths was four times as much as at present.

The fabric submitted herewith has been taken as a type, but we should be glad to furnish similar information on other fabrics should the committee desire it. We shall also be glad to give any detailed or explanatory information that may be required.

Very respectfully,

U. S. BUNTING Co.,
BROOKS STEVENS, *Treasurer.*

STATEMENT OF CHARLES H. HARDING, OF ERBEN & HARD-
ING, PHILADELPHIA, RELATIVE TO WOOLENS,
FEBRUARY 16, 1909.

(The witness was duly affirmed by the chairman.)

The CHAIRMAN. — You are a member of the firm of Erben & Harding?

Mr. HARDING. — I am treasurer of the incorporated concern, the Erben-Harding Company.

The CHAIRMAN. — You are a wool buyer?

Mr. HARDING. — Yes, sir.

The CHAIRMAN. — That firm is in the worsted business or the woolen business or both?

Mr. HARDING. — They are manufacturers of woolen yarns. We were at one time manufacturers of woollens and woolen yarns, but the woolen part of the business was given up some years ago.

The CHAIRMAN. — How long have you been in the wool business?

Mr. HARDING. — Since 1874.

The CHAIRMAN. — Then you are qualified as an expert.

Mr. HARDING. I do not know about that.

The CHAIRMAN. — Have you been a wool buyer?

Mr. HARDING. — Since 1874.

The CHAIRMAN. — And have you visited the markets in England and Australia and South America, personally?

Mr. HARDING. — I have not visited Australia or South America. I have been in the London sales several years during that time, for the continuance of a single sale.

The CHAIRMAN. — Is the wool sold at auction in those sales?

Mr. HARDING. — The wool in London is sold at auction, and sometimes by private contract between sales.

The CHAIRMAN. — But the majority of the wool is sold at auction, and in selling at auction the highest bidder, when it is struck down to him, has the option of taking what he desires?

Mr. HARDING. — No, sir.

The CHAIRMAN. — Taking how much wool?

Mr. HARDING. — The highest bidder takes the lot on the bid, and he has attached to that a further privilege, and that is that

if he and several other people cry the same bid on the next lot he makes a sign to the auctioneer, who assigns the lot to him as the last bidder. Anybody else wanting the lot must bid a half a penny more, unless the bids are under 8 pence, when a farthing is the limit.

The CHAIRMAN. — Unless somebody bids higher he takes the lot?

Mr. HARDING. — Yes; and that continues right along.

The CHAIRMAN. — Are you familiar with the conditions of conditioning houses?

Mr. HARDING. — Yes, sir; I brought over in 1876 the first conditioning machine that was brought into the United States.

The CHAIRMAN. — Do these conditioning houses take into consideration the condition of the wool as to moisture and also some of them as to whether it is clean or not?

Mr. HARDING. — The main purpose of the conditioning house is to ascertain the amount of moisture. The amount of moisture in the contents in England is supposed to be 15 per cent for wool and noils and 18½ per cent for wool products — yarns and tops.

The CHAIRMAN. — Do you take into consideration the purity of the wool?

Mr. HARDING. — What do you mean by the “purity of the wool”?

The CHAIRMAN. — How much wool there is in the fleece, of real wool.

Mr. HARDING. — That is not a question for the conditioning house. The conditioning house passes its judgment on the scoured product.

The CHAIRMAN. — It passes on the scoured product?

Mr. HARDING. — Yes.

The CHAIRMAN. — And not on the wool in the fleece?

Mr. HARDING. — No, sir.

The CHAIRMAN. — When you buy wool abroad, you take into consideration the amount of pure wool in the fleece or in the sample?

Mr. HARDING. — That is the chief consideration. Do you mean by that, scoured wool?

The CHAIRMAN. — Yes; the amount purchased in scoured wool.

Mr. HARDING. — May I say that the wools of the world are usually spoken of as “wools in the grease,” “washed wools” —

which means wools washed on the sheep's back — and “scoured wools,” and those three divisions cover the whole ground.

The CHAIRMAN. — In buying the wools in the grease or washed wools, you always take into consideration the amount purchased of scoured wool?

Mr. HARDING. That is the chief consideration.

The CHAIRMAN. — The chief consideration? It is about the only consideration, is it not?

Mr. HARDING. — No, sir.

The CHAIRMAN. — Of course, you consider the fineness of the wool and the grade of it.

Mr. HARDING. — There are other considerations beside that.

The CHAIRMAN. — What is that?

Mr. HARDING. — Some wools may have in them a great deal of burr and chaff and grass and shive, and in the Australian wools we find what we call “beans,” and it is a very serious consideration to know what percentage of the wool will be lost in getting those things out of the scoured wool.

The CHAIRMAN. — That results in the same thing, the amount of scoured wool you get out of it?

Mr. DALZELL. — No; the amount of clean, pure wool.

The CHAIRMAN. — The amount of scoured wool you get out of it?

Mr. DALZELL. — No; it is another matter.

Mr. HARDING. — May I illustrate? The process goes the other way. The first process is to scour the wool, which simply means to take from it the grease. The next process is to eliminate in some way the other things I speak of, and the cards and burring machines and other things are depended on to do that.

The CHAIRMAN. — And of course there is a further waste in taking that out?

Mr. HARDING. — Of course.

The CHAIRMAN. — But the ultimate thing desired is the amount of pure wool after you get the burrs and everything else out of it?

Mr. HARDING. — I have said that is the chief consideration. May I put it in another way? When we fix with our broker in London the price that shall be paid for wool, the initial instruction is that we will pay so much per scoured pound.

The CHAIRMAN. — What test do you make actually, as a buyer, to find out that?

MR. HARDING. — A buyer where?

THE CHAIRMAN. — In London, for instance. Suppose you went into the wool market in London and you wanted to know how much scoured wool would result from the wool in the grease or washed wool put up for sale, how would you go about it to find out?

MR. HARDING. — You want me to describe just what I would do in a case like that?

THE CHAIRMAN. — Yes: exactly.

MR. HARDING. — Very well, sir. Here is a London catalogue which contains all the lots of wool which will be sold on that date, between 4 o'clock and 6 or half past 6 in the afternoon. All that wool is exposed in the morning and not before, piled in the warehouses in tiers of three high. I see Mr. Hill is not here. I was going to say they are usually bales cubical in form. From Sydney many bales come which I might call an elongated tube, so that it is not exactly true to say that all Australian wool has a uniform weight. The cubical bales will run probably 300 to 350 pounds, and the elongated tubes may weigh 800 to 850 pounds: but as I say, these are all exposed for view in the morning, and you are at liberty to travel down the alleys and cut the burlap in any bale that you like, and every bale of the lot that is to be sold is on exhibition, so that you may make your examination of the bales as thorough as one pleases. That examination is to discover as nearly as possible how many of these defects of which I have spoken show themselves in the wool, and to estimate as nearly as possible the amount of scoured wool that will come from the bale. I may say that in my own case, and I think that is the general case, I have at my command the assistance of the buying broker with whom I am doing business. He has at his command the first reports from the Australian clip as to what all these wools that are to be exposed in London have shown in Australia where they have been shown "at the head of the clip," as it is called. Also he has his experience of thirty or forty or fifty years of what these clips of wool have done in previous years, and my guide is usually the estimate of this expert man who does nothing else but this sort of thing in all of the sales that occur every year in London. I have my own opinion, but I am not a man who knows everything, and therefore I pay a great deal of respect to the opinion of this man who is an expert, as I would to the opinion of a lawyer if I went to

him with a case. I can judge of the fineness of the wool, I can judge of the length of the wool, and I can judge of the soundness of the wool; I can have a dependable opinion of the defects in the wool, and I can have a fair opinion as to the amount of scoured pounds in the wool, but my main dependence is on this expert.

The CHAIRMAN. — After you have gone through that and formed your judgment, how closely can you estimate the wool that will result?

Mr. HARDING. — May I ask a question, Mr. Chairman?

The CHAIRMAN. — Why, certainly; and I will answer it or not, just as I feel disposed. [Laughter.]

Mr. HARDING. — I understand that, sir.

The CHAIRMAN. — What is that?

Mr. HARDING. — I understand that.

The CHAIRMAN. — Well?

Mr. HARDING. — Unless you are expecting to assess an ad valorem duty on the value of the wool as it lies here on the wharf, what is the pertinence of all these questions about average shrinkage?

The CHAIRMAN. — I will answer you very frankly. What I want to get at is whether a fair rate of duty, to be fair to all concerned, could be assessed on the amount of actual wool in the fleece.

Mr. HARDING. — An ad valorem duty?

The CHAIRMAN. — No; a specific duty or ad valorem, either; not confined to ad valorem, but a specific or an ad valorem duty; whether it is practicable.

Mr. HARDING. — Then, may I ask you another question? If the duty on the wool is to be specific, what, again, is the occasion for any estimate as to average shrinkage?

The CHAIRMAN. — This objection is raised to the present system. In first-class wools the unwashed have a duty of 11 cents and the washed a duty of 22 cents. In the second class the washed and the unwashed have a duty of 12 cents a pound. You can see, or any one can see, there is an inconsistency in such a duty as that. The result is that unwashed wools of the first class are about the only wools imported of that class. Of the other the washed wools are about the only wools imported, because it is more profitable, of course, to import in that way. Now, what I want is to get all the information on this wool

question that I can. Without any indication as to what is the tendency of my mind, what I want is to find out the facts in regard to that, so that I can be able to judge. You know, the committee have got to report the bill. We cannot leave it to the manufacturers and other gentlemen, who are perfectly willing to come in here without the responsibility and make a bill for us. We have the responsibility and we are making the bill. What we want to do, gentlemen, is to get at the facts. Now I have answered your question.

Mr. HARDING. — I have attended all the hearings, sir, since the war, and I am quite well aware of the fact that the committee makes the bill.

The CHAIRMAN. — Now I have answered your question. Will you answer mine?

Mr. HARDING. — Will you have it repeated?

The pending question was read by the stenographer, as follows:

The CHAIRMAN. — Now, after you have gone through that and formed your judgment, how closely can you estimate the wool that will result?

Mr. HARDING. — I cannot answer that with an absolutely accurate figure. I have had some sorrowful experiences in thinking I could come within 5 per cent, and I have had some very satisfactory experiences in finding that I have been 2 or 3 per cent out of the way in my own favor; and I would say further, sir, that I am not addicted to the habit of averages.

The CHAIRMAN. — Going a little further, is it possible to make an actual test of the samples of the wool?

Mr. HARDING. — Now, in this country; yes.

The CHAIRMAN. — So that you can obtain almost absolutely the amount of wool?

Mr. HARDING. — Yes, sir. I will tell you how I buy wool in this country. Knowing that there is an opportunity to buy wool, I meet it in the woolen warehouses in two forms. I find the wool in sacks — as we call it, “original packages” — but a great deal of the wool that we buy has been taken out of the sacks and has been graded and is put in piles and is shown to us in large piles that may contain from fifteen to a hundred thousand pounds; and my process, having that conditioning house, is this: Going, say, over the front of a pile like that, I will take a

staple from thirty, forty, fifty, or sixty places, at the same time examining the wool for its length and strength and soundness and fineness, and for the amount of defects that appear to be in it, and sometimes it may be necessary to open the American fleeces to find whether dung locks have been quietly shipped to market as good wool, and also to notice what percentage of twine they have on the fleeces and whether that twine is sisal twine. Having examined that wool, I send it to be conditioned and it is scoured and sent back to me, and then I can see pretty clearly, and I also know whether it contains black hair, and I get a very much better knowledge of the amount of defects in the wool than I get in looking at the pile of wool. I can only give you my experience as a cautious buyer on this. The next step is to say to the man who sells the wool, "I will take 5 bales or 10 or 15 bags, or some amount of this wool proportionate to the amount you have to sell, and I will send that to the mill, and that I will test; and on that test I will give you so much for the wool, with the guaranty that the pile is like the sample; and if you choose to hold that matter open to me until I have made the test, or give me what is technically called a 'refusal' of the wool, then I will do that if the test is satisfactory; and if it is not, we are through, and somebody else can buy that pile."

The CHAIRMAN. — So that ultimately you rely on this test?

Mr. HARDING. — Yes.

Mr. BONYNGE. — You take a guaranty?

Mr. HARDING. — Yes.

Mr. BONYNGE. — That the pile should be the same as the sample?

Mr. HARDING. — Yes; otherwise what is the use of taking the sample bag?

The CHAIRMAN. — Of course, a man has to satisfy himself that the sample is a sample; otherwise he takes the risk?

Mr. HARDING. — Yes.

The CHAIRMAN. — So that practically it is possible to get a fair sample of the wool?

Mr. HARDING. — Yes, sir. I do not think it a fair assumption to make that the wool industry has grown up and is now carried on by the method of buying a pig in a poke.

The CHAIRMAN. — I sympathize with you on that. Now, we have arranged duties on wool of the first class, scoured wool, 33 cents a pound, and of the second class, 36 cents a pound.

That is the duty on the scoured wool, supposed to be clean wool, and that was supposed to be the fair difference between wools of the first and second classes when the tariff bill was made. There never has been any actual test of that, because we never have imported any of these scoured wools to speak of.

Mr. HARDING. — That is right.

The CHAIRMAN. — Going to show that the duty on scoured wool was higher in proportion than the duty on wool in the grease in one instance and on the washed wool in the other. Would that be a fair deduction ?

Mr. HARDING. — Well, Mr. Chairman, in the first place the duty on wool has been fixed, as a rule, by the wool grower, and I suppose it will so continue; and I do not object. I would like to add that I do not object.

The CHAIRMAN. — You are satisfied ?

Mr. HARDING. — I do not object.

The CHAIRMAN. — You agree, then, fully with the statement that the committee makes the duty ? [Laughter.]

Mr. HARDING. — Oh, well, I will put it in another shape, that when you want to get your question answered as to the adequate protection to the wool grower, it is the wool grower who wants to answer your question. I am not a wool grower.

The CHAIRMAN. — My question does not go into the question as to the amount of duty on wool.

Mr. HARDING. — I see.

The CHAIRMAN. — Or a protective duty on wool.

Mr. HARDING. — Yes, sir.

The CHAIRMAN. — But whether the duty can be arranged as a protective duty to the wool grower; say, the same protection now, for example — without intimating anything of my own mind on the subject — whether it can be fairly made to the wool grower to put the duty on the scoured wool in the fleece, similar to our duties on raw sugar.

Mr. HARDING. — I will let the wool grower answer a part of the question. I would like to say that the scheme is visionary.

The CHAIRMAN. — Why ?

Mr. HARDING. — Because it is impossible of execution.

The CHAIRMAN. — Why ?

Mr. HARDING. — Why, it is because scoured wool and scoured wool are as different, to use your own illustration, as sugar and sugar.

The CHAIRMAN. — We are getting along very comfortably with the sugar business. That seems to be practicable.

Mr. HARDING. — All wool that is scoured is not clean, by a long way. We have been scourers of wool on commission, and a few years ago it was not an uncommon thing for a man to say, who sent to us wool for scouring, that he would like to have 3 or 4 or 5 or 6 per cent of grease left in the wool.

The CHAIRMAN. — Then let us go a step further and see whether it is possible to get at the amount of clean wool in the fleece. Now, if we rated it upon the amount of clean wool, what would you say then ?

Mr. HARDING. — I would still say that you would have to guarantee — the Government would have to guarantee — in the first place, the absolute exactness of the scouring plant, and it would have to be controlled by men so competent in the business that they would be worth more in the woolen mills than the Government can afford to pay them.

Mr. GAINES. — I think, Mr. Chairman, you and the witness are working at cross-purposes.

Mr. HARDING. — I have no purpose.

Mr. GAINES. — Your question is as to wool already scoured. You are talking about having it scoured and tested by Government agents. He is talking about the kind of scouring he does at his place when somebody directs him to leave 6 per cent of grease in the wool.

Mr. HARDING. — I would like to add that we have never taken such a contract.

Mr. GAINES. — I can understand that. The chairman is talking about the result at the custom-house, whether it is possible to estimate the resultant amount of scoured wool.

Mr. HARDING. — I say it is impracticable.

The CHAIRMAN. — Why ?

Mr. HARDING. — The Government would be required to guarantee an actual clean scouring, and it ought to include the condition of the product, and that would require a man who is worth more to the woolen mills than the Government would pay him.

The CHAIRMAN. — Is that the only impracticable thing you see about it ?

Mr. HARDING. — No, sir.

The CHAIRMAN. — What is the other objection ?

Mr. HARDING. — The other difficulty is this. Every time the

Government makes a slip in the matter it would naturally, from the nature of the case, be in favor of the importer, and it would make him a present of all the difference there might be between the absolutely clean, scoured, conditioned wool and the product that was turned out by the Government plant. He would get a per cent of the difference; and it is impossible from the nature of the case for the error to be on the other side.

The CHAIRMAN. — We enforce several provisions in regard to sugar, lead, and ore.

Mr. HARDING. — All right; that is not my business.

The CHAIRMAN. — You would have to make an actual test; that requires an expert who would command a high salary?

Mr. HARDING. — I do say that, absolutely.

Mr. CRUMPACKER. — The contracts are not based on the Government inspection, but the inspection of the experts of the contracting parties?

Mr. HARDING. — Exactly.

Mr. CRUMPACKER. — And the Government inspection is only for the question of revenue?

Mr. HARDING. — It will affect the amount of the duty that is paid.

Mr. CRUMPACKER. — Ninety-nine per cent of all the wool that is sold in the large markets of the world is sold on that kind of an inspection?

Mr. HARDING. — It is sold on the kind of inspection I have described.

Mr. CRUMPACKER. — On actual tests?

Mr. HARDING. — No, sir; they are sold on the expert knowledge of the buyer.

Mr. CRUMPACKER. — On the knowledge and judgment of experts?

Mr. HARDING. — The wools in London and the wools in Australia are so sold. But, remember the one point that I made, these experts have before them the story of what was done last year and the year before, and so on by those same clips, and if they are in London they also have before them the story of what has been shown by the heads of the clips in Australia and what was shown there.

Mr. CRUMPACKER. — They are experts, of course.

Mr. GAINES. — They not only have expert knowledge, but they also have this information.

Mr. HARDING. — Previous information, which I cannot get.

Mr. HILL. — The price is paid accordingly, is it not ?

Mr. HARDING. — Yes.

Mr. HILL. — Why should not the duty be paid accordingly ?

Mr. HARDING. — Because it is impossible.

Mr. HILL. — Under the ad valorem ?

Mr. HARDING. — To execute the collection of duties under the ad valorem system.

Mr. HILL. — Is it any more impossible to do it under the ad valorem system than under the present custom, regardless of value and regardless of condition ?

Mr. HARDING. — Yes ; the present system works automatically. Whatever you bring in you pay 11 cents on the grease wool.

The CHAIRMAN. — Let us see if it covers the market value.

Mr. HARDING. — Now you are raising another question.

The CHAIRMAN. — Is there any difficulty in establishing the real market value of wool ?

Mr. HARDING. — A very serious difficulty in establishing the real market value of wool at its point of origin when it is shipped to this country.

The CHAIRMAN. — When it is shipped to this country ?

Mr. HARDING. — Yes.

The CHAIRMAN. — They have their sales in Australia as well as in London ?

Mr. HARDING. — Yes.

The CHAIRMAN. — And some people think that the wool market of the world is going to Australia instead of being in London. They have a great market there, have they not ?

Mr. HARDING. — When I went into business London was selling 70 per cent of the Australian clip. Last year the colonists sold 70 per cent of their clip. This year London has taken more. What the outcome will be it is impossible to say, because there are questions of banking and other things involved in that which it would be idle for me to guess about ; but I say, and I think I can prove, that it is absolutely impossible to fix the value of a shipment of foreign wool at its point of origin, even though it was sold at auction. If your duty, say, was 50 per cent — I have no favorite duty, and I have never interfered with the making of the duty but once on wool — and the appraiser made a slip of a penny a pound, he would present the importer with a cent a pound on his importation, and if the importer was

dishonest and resorted to tricks of any sort, I am prepared to affirm that he could get out of the goods $1\frac{1}{2}$, 2, $2\frac{1}{2}$, and sometimes 3 per cent on his importation, from the failure of the effort to fix the value of the shipment of wool at the time and place when and where it was shipped, even though it was sold at auction.

The CHAIRMAN. — Do you think in such a system the inequalities would be as great as they are under the present system?

Mr. HARDING. — With such a system as that, I believe that the importing business would pass out of the hands of the honest importers and the manufacturers who import their own wool, and would go entirely into the hands of rascals, upon whom we would have to depend for our supply.

The CHAIRMAN. — I suppose what you are looking at is the question of continuing these ad valorem duties on the manufactures?

Mr. HARDING. — No, sir.

The CHAIRMAN. — That is not entirely out of your mind. You want to consider the whole question, and not ignore that which interests you.

Mr. HARDING. — I am not here to make a statement. I have come here because I was notified to be here, to answer questions. I have no statement to make. Our statement in the matter of worsted yarns is before the committee.

The CHAIRMAN. — It would be a very proper consideration for you in your business as to how an ad valorem duty on wool carried out to an ad valorem duty on woollens would affect your industry; and that would be a question for the committee to consider, and on which I would like to hear from you.

Mr. HARDING. — That only affects the compensatory duty on wool, and I am prepared to assert further that it is impossible to fix a compensatory duty on goods, even on an ad valorem duty on wool.

The CHAIRMAN. — I realize that as one of the difficulties of fixing an ad valorem duty on wool. That is the reason I pointed that out. I want to hear from you on that subject.

Mr. HARDING. — Yes: I am not at cross-purposes with you at all. I say it is not one of the difficulties; I say it is an impossibility.

Mr. UNDERWOOD. — State why. You assert it; now give us the reasons.

Mr. HARDING. — Because your ad valorem duty on wool is a variable basis for your compensatory duty, and it is impossible

for us to fix a compensatory duty that will be accurate and specific on a variable basis.

Mr. HILL. — Is there not the same variation in the specific duty with different shrinkages?

Mr. HARDING. — I will admit the inequalities of the present specific duty. I will freely admit them. The only thing I am talking about is the method of curing the inequalities; that is all.

Mr. CLARK. — You say it is impossible for you to fix an ad valorem rate even if the cargo of wool is sold at auction.

Mr. HARDING. — Yes, sir; I do.

Mr. CLARK. — I would like to have you tell how that happens.

Mr. HARDING. — All right, sir; I am perfectly willing. In the first place, your reliance upon the possibility of fixing that ad valorem duty is based on the stated fact that the wool must be sold at auction. Now it is only the wools in Australia and the wools that are forwarded to London from a few other points that are sold at auction. So, in the first place, in laying your ad valorem duty you put out of the question all the other wools that may be sent to the United States. In the next place you assume that the auctions will continue in the matter of the wools that people want to send to this country; but it is not necessary for me to say to this committee that the laying of an ad valorem duty on anything is an immediate invitation for the circumvention of an honest payment of it.

Mr. CLARK. — I understand that.

Mr. HARDING. — Very well; then there is nothing to guarantee that these wools, so far as they are exported to the United States, shall be continued to be sold at auction. There is no way of making a law in this country that shall force the grower in Australia to sell his wools at auction there, or to send them to be sold at auction in London, if he can make an arrangement with an agent in this country to consign the wools and put his own value on the invoice and then take the risk of the correction of the invoice after it arrives here.

Mr. CLARK. — I know that is a good reason; but if a lot of 100,000 pounds of wool is sold as stated at a certain price at auction, is not that price the value of that wool as stated?

Mr. HARDING. — I will answer that by saying that it is impossible for anybody in the world to identify that lot of wool when it arrives in the United States. I will show you that from the catalogue.

Mr. CLARK. — I do not see now. Suppose you buy 100,000 pounds of wool that do not —

Mr. HARDING. — May I illustrate?

Mr. CLARK. — No; I want to ask you one question, and then you can illustrate.

Mr. HARDING. — I can only answer in my own way.

Mr. CLARK. — You buy from John Smith; this is an open transaction.

Mr. HARDING. — Yes.

Mr. CLARK. — He assigns it to you, or you assign it to yourself.

Mr. HARDING. — Yes.

Mr. CLARK. — What difficulty is there about identifying that 100,000 pounds of wool when that comes to Philadelphia?

Mr. HARDING. — By the bill of sale?

Mr. CLARK. — No; but you can mark the parcel.

Mr. HARDING. — You can mark the parcel, but there is no law to compel him to mark his parcel so that he could not substitute another for it.

Mr. CLARK. — I want to ask you another question. You stated in the beginning of your statement that the committee made up these bills.

Mr. HARDING. — Yes.

Mr. CLARK. — Then you got away from that statement after a while, partially.

Mr. HARDING. — Oh, well, now —

Mr. CLARK. — You stated to the chairman that the wool growers fixed the schedule on wool. Is it not also true that the woolen manufacturers fixed the schedule on woolen goods?

Mr. HARDING. — I will say this: That depends entirely upon what construction you put on the fact that you invite us to give testimony. If you give credence to our testimony as reliable, if you act on that testimony as being that of honest men given in their best judgment, and you guide yourselves by that in your conclusion on the facts, in that sense the manufacturers assist in fixing the duty.

Mr. CLARK. — Did you read the cross-examination of Mr. William Whitman before this committee six or eight weeks ago?

Mr. HARDING. — Yes; and I thank you for referring to it.

Mr. CLARK. — Does not that whole performance demonstrate beyond any peradventure that the woolen manufacturers did fix this specific schedule on woolen goods?

Mr. HARDING. — I know from personal knowledge that, while Mr. Whitman may not have been able to answer certain questions at that time, the point you had in mind as to the duty upon tops was a thing about which he knew nothing whatever. I am prepared to prove that. In the first place, on the day when the Dingley tariff was first announced to the public in the newspapers I wrote to Mr. Dalzell, and at that time the duty on tops was a paragraph immediately preceding the paragraph containing the duty on yarns, and the bill so came out of the committee and the bill so stood in the House. I only tell you this to prove my case. I wrote to Mr. Dalzell saying to him that the duties on tops and noils were too high.

Mr. DALZELL. — What was it?

Mr. HARDING. — On the 16th of March, 1897.

Mr. DALZELL. — What was the duty?

Mr. HARDING. — The duty on tops I do not remember now; but we had recommended to Mr. Dingley, and he had adopted in the bill, a specific duty on tops which was lower than the duty on yarns. And I stated that the duty on tops, as an article that costs less to manufacture than yarns, ought to be less than the duty on yarns; and I have since forwarded a copy of that letter¹ to Mr. Dalzell, which stated that the duty on noils ought not to be over 20 cents a pound, for the reason that the duty on washed wools was at that time three times the duty on grease wools, and the average value of fine noils, as compared with the value of scoured wool of the same kind, had been about 60 per cent both here and abroad; and stating that fact to Mr. Dalzell, I said I thought it would be quite enough duty to put on noils to have them 60 per cent of the duty on scoured wools — that is, 60 per cent of 33, or 19.8. That was a lower duty than then stood in the paragraph. Mr. Dalzell did not tell me whether my opinion was worth much or little; he simply acknowledged the letter. That was all I could expect.

Further along in the process of the legislation the specific duty on yarns disappeared and was changed into an ad valorem form, as it is now. With its disappearance the paragraph on tops disappeared wholly, and I have since written saying I thought that was an accidental matter; but I knew nothing about it. I want to finish my history of this. On the 22d of December of last year a letter² was read to me from an intimate friend of the late

¹ See page 204.

² See page 197.

Judge Lawrence, in which he said that he and Judge Lawrence had appeared (after the bill had gone into the Senate, I believe) and had insisted upon the suppression of this paragraph on tops, and upon putting tops among the articles not specifically provided for, for the reason that Judge Lawrence had in his mind the fact that tops had been broken up and sent into this country mixed in with 5 or 10 per cent of broken threads, and had been coming into the country even under the McKinley bill, paying 50 cents less duty than the tariff was expected to raise from them; so that the whole of the responsibility does not rest for that top business on Mr. Whitman, but upon Judge Lawrence and some friends of his who, with the idea of amply protecting the wool grower, had this put in the bill as respects tops, by-products, and so forth.

It was said by him, "It is possible that tops may be called something else than they are called now, and they may be dutiable then as waste." That is simply the history of the argument.

MR. CLARK. — How does it happen, then, that Mr. Whitman, who came here as the exponent of the whole woolen industry, did not know what he had done himself?

MR. HARDING. — He had not done it himself.

MR. CLARK. — How does it happen that he did not know that he had not done it?

MR. HARDING. — I do not know, sir. I did not know it myself until December.

MR. CLARK. — You and I agree on one proposition.

MR. HARDING. — I do not know.

MR. CLARK. — That is, to fix up a scientific tariff; the tariff on yarns ought to be higher than on tops.

MR. HARDING. — Yes.

MR. CLARK. — You agree with that?

MR. HARDING. — Yes.

MR. CLARK. — And somebody, by a twist of the wrist, got the tops into this unclassified department?

MR. HARDING. — Right, sir.

MR. CLARK. — Where they have made tops pay a higher tariff than yarns?

MR. HARDING. — That was Judge Lawrence and some of his friends.

MR. CLARK. — And it ought to be changed?

MR. HARDING. — Absolutely; it ought to be changed, and I

hope you will change it and put in a new paragraph on tops, making it specific ; a compensatory duty on the tops plus a small number of cents for the extra expense of making tops in this country.

MR. CLARK. — One question about this ad valorem business. Is there any more danger of a swindle in regard to an ad valorem duty on wool than in regard to anything else ?

MR. HARDING. — I think the whole business of laying ad valorem duties is a peculiarity that is monopolized by the United States Government. The French tariff is based absolutely on specific duties, and outside of a few pieces of furniture and things of that kind which are dutiable per piece there is not a thing in the French tariff that is not dutiable by the hundred kilos, gross or net. The tariff of Great Britain, which is a very little thing, which I have here [exhibiting sheet of paper], is based absolutely on specific duties, and there is not a thing in that that does not pay a specific duty. The tariff of Spain is specific, and I believe the tariff of Germany is specific. The tariff of Cuba, promulgated by President McKinley, founded on the tariff of Spain, is specific. Otherwise there is no country in the world that does not do business on the basis of specific duties.

MR. CLARK. — That is all persuasive.

MR. HARDING. — I do not understand you.

MR. CLARK. — I say what you have stated is persuasive evidence in favor of a specific tariff as differentiated from an ad valorem duty.

MR. HARDING. — You will excuse me for asking you to repeat your question. I do not hear very well.

MR. CLARK. — That is all right. What I am trying to get at is the facts, and I suppose you are trying to give them.

MR. HARDING. — Yes. If I may say one thing on the ad valorem duty, the whole theory of the valorem duty is based on the figment that you can identify the wool. Here is a part of the covering of a bale of wool. The mark on that is WD in a diamond, and it is marked "Australian produce." There is nothing to prevent the whole clip of Australia from being repacked in London.

MR. CLARK. — The same thing is true as to quality ?

MR. HARDING. — Yes.

MR. CLARK. — I was asking you before the recess about the

feasibility of this ad valorem tax as compared with the other. There is not any more danger of swindling by undervaluation in wools than there is in anything else that comes in under an ad valorem duty, is there ?

Mr. HARDING. — I am not familiar with other things.

Mr. CLARK. — If you are not, there is no use of asking you about them. I will state, though, as a matter of history, that there is a great deal of swindling.

Mr. DALZELL. — In other things ?

Mr. CLARK. — Yes ; and I have no doubt there would be in this. Even as it is, there is. I have no doubt in the world that there is a good deal of swindling about the ad valorem duty on wool or anything else, although I believe it is the best way of fixing a tariff.

Mr. HARDING. — I am prepared to admit the correctness of your proposition as a general proposition.

Mr. CRUMPACKER. — Mr. Swindells stated that wools that shrunk above 65 per cent were not imported. Do you know why ? Why do we not import wools where the shrinkage is high ? Is it because the duty is prohibitive ?

Mr. HARDING. — There are other reasons than that.

Mr. CRUMPACKER. — What are they ?

Mr. HARDING. — The extra cost, figured on the scoured pound, of getting those high-shrinkage wools here, which are apt to be the most defective wools, and the fact that the market value of those wools where French combs are used — in England, France, Germany, Spain, Russia, and Italy — with special appliances for taking out the defects, is now so close to the market value of the wools that we can import that the business is against us.

Mr. CRUMPACKER. — Yes. You cannot afford to pay the duty and import that class of goods ?

Mr. HARDING. — Well, there are all those other circumstances to be considered besides the duty.

May I get at the answer, probably, to the question you have in mind by another statement ? If ever there was a time for us to try wools of that kind it was when wools were free. My own experience in the matter was this : We had kept before us in previous years a calculated table in the back of the book in which these catalogues are carried, providing for the importation of wools that would shrink up to 55 per cent and no more. When wools were made free, I made a new table, and I provided for the

importation of wools that would shrink up to 75 per cent. We bought a few of them in London; I ordered some of them from Australia, and for these other reasons that I give you (and then there was no duty in the case at all) it was very evident, before the year was over and the next season came around, that it was still more profitable for us to import what are usually known as wools suitable for the United States. Our people in Australia bought for us the next season 200 bales of those very heavy Adelaides, expecting to ship them here, on the idea that they would be cheap to us. But with the experience that we had had up to that time we stopped those wools in London and sold them there for our account; and that was the end of our effort to import these very, very heavy wools.

MR. CRUMPACKER. — You pay just as much freight and expense in handling these heavy-shrinkage wools as you do the other wools?

MR. HARDING. — Absolutely; and when you reduce that to the terms of the scoured pound, it has a heavier incidence on the scoured pound.

MR. CRUMPACKER. — After it is scoured is the quality substantially as good as that of the other classes of wool?

MR. HARDING. — That will depend on a good many other things than the question of duty. As a rule, the best of these wools are raised in the sections that are the oldest civilized and nearest to the ports of export and where the largest ranches are, with the greatest clip; and these wools that have more defects in them are more likely to come from what you may call the “back countries,” where the situation is a little different. So that it is Adelaide and South Australia and West Australia, for that continent, that send us wools of that kind. Does that answer the question?

MR. CRUMPACKER. — Yes; that is a sufficient explanation.

MR. CLARK. — Mr. Harding, do you import your wools, as a rule, scoured or in the grease?

MR. HARDING. — We never can import them scoured, sir.

MR. CLARK. — You never can?

MR. HARDING. — No, sir.

MR. CLARK. — You import all your wools in the grease?

MR. HARDING. — Our wools are all imported in the grease; yes, sir.

MR. LONGWORTH. — Mr. Harding, where do the wools come

from that enter directly into competition with what we call "fleece" — fleece wools?

MR. HARDING. — Will you tell me what you mean by "fleece" wools?

MR. LONGWORTH. — I understand that the name "fleece" is applied to wool that is grown in Ohio and Michigan and Pennsylvania.

MR. HARDING. — All wools are "fleece" wools, sir. The fleece is simply the covering of the sheep shorn and put together in a bundle.

MR. LONGWORTH. — I have understood that wools were generally divided into three classes, one of which was called "fleece," another "bright" wools, and another "territory" wools.

MR. HARDING. — I beg your pardon, sir.

MR. LONGWORTH. — I am speaking of the first class — what is supposed to be the best class.

MR. HARDING. — I understand you now. You are not talking about the division that is made at home here?

MR. LONGWORTH. — I am asking what wools of other countries are in direct competition with our best kind.

MR. HARDING. — All wools are in competition with our best kind.

MR. LONGWORTH. — All of them?

MR. HARDING. — All wools are; yes.

MR. LONGWORTH. — Where is our importation mostly from — Australia?

MR. HARDING. — Our present importation?

MR. LONGWORTH. — Yes.

MR. HARDING. — Yes, sir; our largest importation is from Australia.

MR. LONGWORTH. — None from England?

MR. HARDING. — Oh, yes; you asked me where the most was coming from.

MR. LONGWORTH. — Yes; I did. How much comes from England?

MR. HARDING. — I am not prepared to say; I have not the figures before me.

MR. LONGWORTH. — The gentleman who had the stand before you, who said that he was a practical wool man, said that he had never seen English wool.

Mr. HARDING. — What am I expected to do with that statement, sir ?

Mr. LONGWORTH. — I do not know.

Mr. HARDING. — Neither do I. [Laughter.]

Mr. HILL. — Mr. Harding, what is your business ?

Mr. HARDING. — Our business ?

Mr. HILL. — Yes.

Mr. HARDING. — We are makers of worsted yarns — fine-warp worsted yarns, sir.

Mr. HILL. — You do not manufacture woolen cloth at all ?

Mr. HARDING. — No, sir ; not at all.

Mr. HILL. — I understood you to say that you formerly were in the woolen business.

Mr. HARDING. — We were formerly manufacturers of woolen yarns.

Mr. HILL. — But not of woolen cloth ?

Mr. HARDING. — No, sir.

Mr. HILL. — I understood you to say that, in your judgment, it was impossible to make on the cloth a compensatory duty of an ad valorem duty on the wool. Why not ?

Mr. HARDING. — I think my statement was this : That the ad valorem duty on wool gives you a variable basis for your compensatory duty ; and I am not able to understand how you could get a fixed compensatory duty calculated on a variable basis. I do not say it could not be done ; but I cannot understand how it could be done.

Mr. HILL. — Do you favor the present wool schedule without change ?

Mr. HARDING. — If a change can be made that is of advantage to all the people concerned in the present wool schedule, I would be foolish to oppose it.

Mr. HILL. — Do you think the present schedule is an advantage to all the people engaged in all branches of the woolen industry, worsteds and woolens ?

Mr. HARDING. — I think that the present schedule is more advantageous to all people engaged in the various branches of the industry than anything else that I have yet heard proposed.

Mr. HILL. — I quote from the pamphlet recently issued by William Graham Clark (the Government expert on this matter) the following duties, on page 70 :

The duty on greasy Port Phillip wool, 45.3 per cent ad valorem ;

on noils, 61.9; on scoured wool, 67.9; on tops, 133.6; on waste, 187.5; on warp yarn, 2/44s, 97.8; weft yarn, 1/20s, 104.6; finished cloth, 101.3.

Do you think those duties are equally advantageous to all branches of the industry?

MR. HARDING. — Does the question answer itself, sir, on the face of it?

MR. HILL. — I am not answering questions; I am simply asking you for information. In your judgment, as a manufacturer of worsted yarns, do you think that those duties bear equally upon and are equally beneficial to all branches of the woolen industry?

MR. HARDING. — I say what I said before — that I have as yet heard nothing proposed that would bear more equitably on the different branches of the industry than the tariff that we have now. My mind is an open one to conviction.

MR. HILL. — I am not speaking now of the compensatory duty on cloth; I am speaking of the wool up to your product — up to the yarn maker. Do you think that the present duties bear equally advantageously on the manufacturers of woolen yarns and on the manufacturers of worsted yarns?

MR. HARDING. — I do not as yet see that the manufacturer of worsted yarns who uses the same wool as the manufacturer of woolen yarns has any advantage over him.

MR. HILL. — Oh, of course not — of course not, if he uses the same wool. Do you use the same wool in making worsted yarns that you did in making woolen yarns?

MR. HARDING. — We use the same wool in making worsted yarn that is sometimes used in making woolen yarn.

MR. HILL. — Sometimes you do; but do you as a rule? Is it not a combing wool that is used in making a worsted yarn and a merino wool, practically, that you use in making woolen yarn?

MR. HARDING. — We use merino wools in making worsted yarns; and my business is the making of worsted yarns entirely out of merino wools.

MR. HILL. — And you think that these duties, with a double duty on Class I for washed wool and a single duty on Class II, is equally advantageous to both parties?

MR. HARDING. — I will not say that.

MR. HILL. — I do not believe I care to ask any more questions.

Mr. HARDING. — May I say something about the duty on Class II?

Mr. HILL. — I should be glad to have you.

Mr. HARDING. — I think I ought to. At the time I first came into the worsted business the only combs in existence or in use in this country were what were known as the "Lister" combs, and the only product in the way of wool that could be used on the Lister comb was a wool of long staple. My first business in the woolen line was the handling of every particular fleece that went into the mill that I served, to see that these wools were the long-staple wools, such as you grow in Missouri, and the combs were only fit for handling that sort of thing. If I am right about the history, at the time that this original duty was laid on Class II it was laid for the purpose of fostering the combing industry, which was established in Philadelphia in 1857, and was not much earlier in the East. As those wools were then especially fitted for the combing machinery, and the intention of Congress seemed to be to encourage this combing industry, they were allowed to bring in these washed wools under the single duty.

Mr. HILL. — Then the duty was established for the purpose of giving particular preference to the worsted industry?

Mr. HARDING. — The worsted industry at that time, sir, had no ability to use any other sort of wool. And I am going to go further and say that with the introduction of the Noble comb, and with the later introduction of the Heilmann comb in Germany (what we call the "French" combing system), the worsted industry has now become able to use almost any kind of wool that is grown on the face of the earth. And when I tell you that we, as combers on commission, about four years ago combed for one of our neighbors 50,000 pounds of Territory dunglocks, I think I have proved to you that the modern comb is equal to almost any emergency.

Mr. HILL. — When did you go out of the woolen-yarn business?

Mr. HARDING. — About seven or eight years ago.

Mr. HILL. — Why did you go out of it?

Mr. HARDING. — We had carried on the woolen-yarn business — first as makers of Germantown yarns, hand-knitting yarns — until the importation and the home manufacture of the worsted yarns made on French machinery, which were supplanting the Germantown woolen yarns, made the business unprofitable. When

it came to be absolutely unprofitable we dismantled our carding machinery and sold part of it; and we said to our selling agent: "If you think that there is anything more to be done in carrying on this woollen-yarn business, you can get your yarn spun on commission, and we will treat your business as a separate business, and you can run the business as long as there is any profit in it; and when we get to a point where you cannot any longer make any money out of this woollen-yarn business, we will drop it." That is the history of it.

MR. HILL. — Then you went out of the woollen-yarn business two years after the Dingley tariff bill was enacted?

MR. HARDING. — The Dingley tariff bill had nothing at all to do with it.

MR. HILL. — What caused the woollen business to be unprofitable?

MR. HARDING. — I do not know, sir. It was a small part of our business, and when it became unprofitable we abandoned it. I do not know the reasons.

MR. CLARK. — Mr. Harding, you answered Mr. Hill that this scheme of wool tariffs is equally advantageous to both. Do you think that that doubling up of the tariff on washed wool as compared with grease wool is a fair proposition?

MR. HARDING. — I have not had anything to do with washed wools, sir, for thirty years; and I am not in a position to answer that question, for I do not know.

THE CHAIRMAN. — That is all, Mr. Harding.

LETTER TO HON. CHARLES G. WASHBURN FROM WILLIAM
WHITMAN SHOWING THE LOSS OF REVENUE RESULT-
ING FROM A REDUCTION OF ONE CENT PER POUND IN
THE DUTY ON GREASY WOOLS OF CLASS I. AND II.

Boston, February 16, 1909.

HON. CHARLES G. WASHBURN, *Washington, D.C.*

DEAR SIR: In compliance with your suggestion, I beg to enclose statements showing the loss in revenue that would arise from a reduction from the duty on wool of one cent per pound based upon the importations of wool for the averages of the fiscal years 1904 to 1907, inclusive, and of woollen goods on the averages of the fiscal years 1904 to 1908, inclusive. I would have made them all on the same basis but did not have the figures for the wool for 1908. These statements show the following reductions:

On classes one and two wools	. . . . .	\$914,584.45
On goods	. . . . .	640,470.22
Total	. . . . .	<hr/>\$1,555,054.67

Every additional cent would be a multiple of this sum. You will observe that carpet wools and carpets are not included. One cent per pound reduction on carpet wools would amount to \$1,057,065.25 in addition to the above. These figures speak for themselves. The calculations are based upon wool in the grease and upon a corresponding reduction in the specific rates on goods. I think these calculations will be found to be accurate, although necessarily they have been prepared hastily.

Yours very truly,

WM. WHITMAN,
President.

244 NATIONAL ASSOCIATION OF WOOL MANUFACTURERS.

STATEMENT SHOWING THE LOSS IN REVENUE WITH A REDUCTION IN DUTY ON WOOL IN THE GREASE OF ONE CENT PER POUND BASED UPON THE IMPORTATIONS FOR FISCAL YEARS 1904, 1905, 1906 AND 1907, AND ALSO THE YEARLY AVERAGE OF SAME.

Class One.	Pounds.	Present Duty.	Reduction.
1904.....	39,927,769	\$4,393,713.00	\$399,533.00
1905.....	76,769,197	8,419,509.00	768,048.35
1906.....	93,488,590	10,261,183.00	935,060.35
1907.....	91,504,588	10,052,977.00	915,225.03
Average for 1 year ..	301,690,144 75,422,536	\$33,127,382.00 8,281,845.00	\$3,017,866.73 754,466.68

Class Two.	Pounds.	Present Duty.	Reduction
1904.....	13,659,201	\$1,637,269.00	\$136,597.81
1905.....	21,922,409	2,626,936.00	219,226.27
1906.....	16,387,154	1,964,690.00	163,871.54
1907.....	12,077,546	1,448,519.00	120,775.46
Average for 1 year ..	64,046,310 16,011,577	\$7,677,414.00 1,919,353.00	\$640,471.08 160,117.77

Class Three.	Pounds.	Present Duty.	Reduction.
1904.....	108,133,028	\$4,892,476.00	\$1,081,330.28
1905.....	112,595,877	5,483,541.00	1,125,958.77
1906.....	109,619,265	5,557,773.00	1,096,440.75
1907.....	92,453,119	5,061,252.00	924,531.19
Average for 1 year ..	422,801,289 105,700,322	\$20,995,042.00 5,248,760.00	\$4,228,260.99 1,057,065.25

A reduction of one cent per pound from the duty on wool in the grease based upon the average importations would cause a loss in revenue as follows:

Class One	\$754,466.68	
Class Two.....	160,117.77	
Class Three		\$914,584.45
		1,057,065.25
Total for one year		\$1,971,649.70

REDUCTION OF DUTY ON MANUFACTURES OF WOOL ENTERED FOR CONSUMPTION FOR YEARS END-
ING JUNE 30, 1904, 1905, 1906, 1907 AND 1908, BASED ON ONE CENT LOWER DUTY ON GREASE WOOL
OF CLASS ONE AND CLASS TWO, SHOWING THE REDUCTION OF DUTY FOR FIVE YEARS AND THE
AVERAGE FOR ONE YEAR.

	Quantity.	Rate of Specific Duty.	Amount of Present Specific Duty.	Reduction.	Average for One Year.
PAR. 364. — Wool advanced beyond the washed or scoured condition.	2,958 lbs.	33 cents.	\$488.50	\$88.74	\$17.75
“ “ “ “ “ “	2,356 “	44 “	1,036.64	94.24	18.85
“ “ “ “ “ “	3,752 “	44 “	1,650.88	150.08	30.02
Total	9,066 lbs.	“ “ “ “ “ “	\$3,175.02	\$333.06	\$66.62
PAR. 363. — Woollen rags, etc.	510,288 lbs.	10 cents.	\$51,028.00	\$5,102.88	\$1,020.58
PAR. 362. — Shoddy.	9,084 “	25 “	2,372.00	90.83	18.17
PAR. 363. — Mungo	1,110 “	10 “	111.00	11.10	2.22
PAR. 362. — Nolls	1,174,099 “	20 “	234,819.00	11,740.99	2,348.20
PAR. 361. — Top waste, etc.	17,274 “	30 “	5,181.00	172.74	34.55
PAR. 362. — Wool extract, etc.	838,833 “	20 “	167,766.00	8,388.33	1,677.67
Total	2,550,687 lbs.	“ “ “ “ “ “	\$461,277.00	\$25,506.87	\$5,101.39
PAR. 365. — Yarns	6,266 lbs.	27½ cents.	\$1,723.15	\$166.65	\$31.33
“ “ “ “ “ “	918,483 “	38½ “	353,615.45	32,146.91	6,429.38
Total	924,749 lbs.	“ “ “ “ “ “	\$355,338.60	\$32,303.56	\$6,460.71
PAR. 367. — Blankets	7,664 lbs.	22 cents.	\$1,686.08	\$153.28	\$30.65
“ “ “ “ “ “	5,736 “	33 “	1,902.48	172.08	34.41
“ “ “ “ “ “	107,088 “	33 “	35,339.04	3,212.64	642.53
“ “ “ “ “ “	7,195 “	33 “	2,374.35	215.85	43.17
“ “ “ “ “ “	26,650 “	44 “	11,726.00	1,066.00	213.20
“ “ “ “ “ “	31,353 “	44 “	13,795.32	1,254.12	250.82
Total	185,686 lbs.	“ “ “ “ “ “	\$66,813.67	\$6,073.97	\$1,214.78
PAR. 366. — Cloths, knit fabrics, etc.	185,555 lbs.	33 cents.	\$61,232.49	\$5,566.59	\$1,113.32
“ “ “ “ “ “	1,406,603 “	44 “	658,505.32	59,864.12	11,972.82
“ “ “ “ “ “	19,994,551 “	44 “	8,797,002.44	799,782.04	159,956.41
Total	21,676,707 lbs.	“ “ “ “ “ “	\$9,517,340.25	\$865,212.75	\$173,042.55

PAR. 367. — Flannels for underwear	1,190 sq. yds.	11 cents.	\$130.90	\$11.90	\$2.38
"	75,570 "	11 "	8,312.70	755.70	151.14
Total	76,760 sq. yds.		\$8,443.60	\$767.60	\$153.52
PAR. 367. — Flannels for underwear	28,504 lbs.	44 cents.	\$12,541.76	\$1,140.16	\$228.03
"	272,607 "	44 "	119,947.08	10,904.28	2,180.86
Total	301,111 lbs.		\$132,488.84	\$12,044.44	\$2,408.89
PAR. 368. — Knit fabrics — not wearing apparel	987 lbs.	33 cents.	\$325.71	\$29.61	\$5.92
"	5,075 "	44 "	2,233.00	203.00	40.60
"	36,324 "	44 "	15,982.56	1,452.96	290.60
Total	42,386 lbs.		\$18,541.27	\$1,685.57	\$337.12
PAR. 368. — Flannels	1,847 lbs.	33 cents.	\$609.51	\$55.41	\$11.08
"	5,237 "	44 "	2,304.28	209.48	41.90
"	84,547 "	44 "	37,500.68	3,381.88	676.38
Total	91,631 lbs.		\$40,114.47	\$3,646.77	\$729.36
PAR. 370. — Wearing apparel	134,327 lbs.	44 cents.	\$59,103.88	\$5,373.08	\$1,074.62
Hats of wool	54,264 "	44 "	23,920.16	2,174.56	434.91
Knitted articles	2,121,501 "	44 "	933,490.44	84,860.04	16,972.01
Shawls	234,949 "	44 "	103,377.56	9,397.96	1,879.60
Other clothing, etc.	2,015,963 "	44 "	888,343.72	80,758.52	16,151.70
Total	4,564,104 lbs.		\$2,008,205.76	\$182,564.16	\$36,512.84
PAR. 371. — Webbing, gorings, etc.	54,906 lbs.	50 cents.	\$27,453.00	\$2,495.73	\$499.15
PAR. 366. — All other manufactures, etc.	170,264 lbs.	33 cents.	\$56,187.12	\$5,107.92	\$1,021.58
"	195,448 "	44 "	85,997.12	7,817.92	1,563.58
"	758,357 "	44 "	333,677.08	30,334.28	6,066.86
Total	1,124,069 lbs.		\$475,861.32	\$43,260.12	\$8,652.02
Total					\$640,470.22

THE EXPEDIENCY OF A TARIFF COMMISSION.

President William Whitman of the National Association of Wool Manufacturers has addressed the following letter both to Hon. Nelson W. Aldrich, Chairman of the Committee on Finance of the United States Senate, and to Hon. Sereno E. Payne, Chairman of the Committee on Ways and Means of the House of Representatives:

BOSTON, MARCH 11, 1909.

HON. NELSON W. ALDRICH, *Chairman of the Committee on Finance, United States Senate, Washington, D.C.*

DEAR SIR: Champions of a tariff commission continue, though with diminished force, to urge their project upon Congress, and it behooves those American business men who are against this to put themselves on record with the committees of Congress which have the work of tariff making in charge. This idea of a tariff commission has undergone much evolution. First it was to be a group of economic dictators, empowered to take the tariff question out of the hands of Congress and to fix, by mandate, rates which should have all the force of law. Then, when this scheme has been dismissed as impracticable, the commission was to be vested with authority to recommend tariff rates to a docile Congress, which should proceed to enact them. Now this scheme also has been abandoned in favor of a new and attenuated plan — a board of advisory experts who shall gather and sift industrial information for the use of the committees of Congress, which will thereupon themselves fix tariff rates.

All these various changes and reductions which the tariff commission project has undergone are, in effect, a confession of the impracticability and unwisdom of the whole idea. The first and second forms of the proposed commission no longer have any sponsors, and it remains to consider only the third aspect of the scheme — a commission to gather and sift industrial information.

There is no chance for any very serious quarrel over this, for such a commission would be inconsequential in its character. The question really is whether such a body is necessary and whether it will serve any useful purpose. Would it not be really a fifth wheel to the coach, and a very diminutive and insignificant

wheel at that, of no real practical value and, indeed, so much new dead weight in the complex organization of our government?

Congress is already abundantly equipped with facilities for gathering and analyzing information. Besides the great Bureau of the Census there are separate Bureaus of Statistics in the Department of Commerce and Labor and the Department of Agriculture. There is a Bureau of Labor in the Department of Commerce and Labor which makes a practice of collecting facts about wages and employment. And there is in this same department the important Bureau of Manufactures, which carries on an ever-widening research not only in this country but abroad. In the State Department there is an active and valuable Bureau of Trade Relations. Through these various agencies an immense amount of exact knowledge about industry and commerce is constantly being distributed throughout the United States, and especially made available for the use of members of Congress. Instead of there being too little machinery for this service, there is probably too much already in existence. These bureaus might be simplified or consolidated, and the idea of adding another and a separate organization to duplicate the work already being done by capable and experienced men is simply preposterous.

No government in the world collects industrial and commercial statistics so faithfully and comprehensively as does our own. Besides the agencies already mentioned there are the consular reports pouring in a steady stream to Washington — reports which are frequently eulogized for thoroughness, alertness, and precision by the representatives of foreign governments. The difficulty is not that there is inadequate information, but that the mass of information accumulated through our various agencies is so enormous that only the most untiring industry and patience can make proper use of it.

If expert assistance for this service is desired it can readily be secured, as it has been, by the Committee on Ways and Means in the present undertaking. The work of analyzing, editing, and arranging the vast mass of testimony taken by the Committee has been performed with skill and promptness by the clerical staff under the guidance of the chairman. That is, the Committee on Ways and Means, with its trained employees, has for the time being constituted itself a tariff commission of the most efficient and responsible character.

If the history of recent Federal commissions were to be traced it would be found that in every instance, however earnestly these commissions may have labored, the committees of Congress having jurisdiction over the subject have insisted on making their own investigations at first hand — and this has been true even when these commissions were themselves composed of Senators and Representatives. How much truer would this be if there were a tariff commission made up of men outside of and unknown to the two branches of Congress!

The Federal constitution and the authority of unbroken practice of more than a hundred years give to the National House the right of originating revenue legislation. This is a great power, involving great responsibility, and it will never be surrendered in the slightest degree either by the House or by the National Senate, whose concurrence is necessary. All this talk of a tariff commission is and always has been chimerical. The periodical revisions of the tariff bring anxiety to business men, and business men are naturally solicitous to get the tariff question lifted out of politics. But the tariff question in this country through more than a hundred years has been for the most part the very heart and soul of politics. It has been the historic question over which the great political parties have contended from the strife of Adams and Jefferson to the strife of Taft and Bryan last year. One political party has stood for a tariff for revenue and protection; the other for a tariff for revenue only, or, in other words, free trade. These two ideas are as absolutely separate and irreconcilable as the gold standard and free silver coinage. One principle or the other must prevail; there can be no lasting compromise between them.

A non-partisan tariff commission is as absurd and impossible as a non-partisan financial commission made up partly of gold standard men and partly of free silver coiners. Either protection or free trade must rule this country. If we are to have protection the task of tariff making becomes merely a question of fixing the tariff schedules at a figure high enough to give adequate protection to American industry. That is a task which can be performed only by protectionists. The Committee on Ways and Means completely acknowledges this fact when it excludes the Democratic minority from its sessions and constructs a tariff as the exclusive work of the Republican majority.

A tariff commission, if there were such a thing, would have

to be made up entirely of protectionists. That would not take the tariff out of politics, but it is the only practicable way in which a tariff can be made. For protectionists and free traders absolutely disagree not only as to the rate of duty but as to the fundamental proposition of the articles on which duty shall be placed. The protectionist would put the burden of taxation on articles that compete with American industry, while the free trader would, so far as possible, admit these articles duty free and impose taxes, as Great Britain does, on commodities that are non-competitive.

The very nature of the tariff problem imperatively forbids bi-partisan or non-partisan consideration, and the only way in which the tariff can be taken out of politics is by settling the tariff question as we have apparently settled the gold standard question, and that is by defeating the free trade party so overwhelmingly at the polls that it will have to do as the free silver party has done, and abandon its cause as a hopeless fraud and delusion, condemned and abhorred by the American people. Meanwhile, those American men of business who follow the scheme of a tariff commission as a means of getting the tariff out of politics are chasing a mere will-o'-the-wisp.

Those business men who advocate a tariff commission are now in a very small minority in New England and throughout the United States. Ten years or five years ago the idea had much more strength than now. American men of business, manufacturers especially, have come to regard the scheme not only as impracticable but as dangerous. A permanent tariff commission, anxious to justify its existence by incessant activity, would be a veritable plague to the country's business. President Taft is right in declaring that we can have no full prosperity until the present tariff revision is completed, and after that is done what the business of the country wants is absolute rest for at least ten years from tariff agitation. The new tariff may not prove to be in all particulars just what New England wants, but it will deserve a fair and honest trial, at any rate, unvexed by a stirring up of the subject all anew at the hands of a tariff commission. Such a commission could do no possible good by any immediate inquiries, for long before another tariff revision would be due there would have been many radical changes in industrial conditions. But such a commission, through the unrest which it

would create, might easily do millions of dollars of damage to the manufacturing interests of New England and the country.

I speak as one who, in this task of tariff making, believes in investigation of the most thorough, exact, and searching character. I believe that when a tariff revision is undertaken every American industry ought to be prepared to submit a full and honest statement of its case in Washington. This has been done and is now being done by the organization of which I have the honor to be the head, the National Association of Wool Manufacturers. We have responded with the utmost frankness to every request for information from the Committee on Ways and Means. We have appeared before that body and made long, direct, personal statements and we have submitted a great many other statements in writing. We have endeavored to anticipate every possible need for information on every phase of the question of wool manufacturing. Our testimony already prepared and presented covers several hundred printed pages, and because we have confidence in the accuracy of these statements and in the completeness of their scope we are ourselves publishing, in a volume to be ready in a few days, every word of evidence which this Association has submitted, as a matter of historical record.

We have shown our own good faith and we object to the imputation that those in this country who are opposed to a tariff commission are opposed to turning the light on this question of the protective tariff. It is our profound conviction that the more light there is the clearer and more impregnable becomes the position of those Americans who believe in an adequate protective policy. We are not afraid of the light; we welcome it. But we want that light turned on not for the use of an accidental, unauthorized group of outsiders or amateurs, but for the direct information and guidance of the public men immediately charged by the constitution and the laws with the great responsibility of tariff making.

Very truly yours,

WILLIAM WHITMAN,
President.

RESOLUTIONS ADOPTED AT CHICAGO OCTOBER 15, 1908.

THE resolutions adopted at Chicago by the committees of wool growers and wool manufacturers which were published in the December Bulletin are reproduced.

Resolved, That in view of the approaching revision of the tariff by Congress, it is the sense of this meeting that we reaffirm the declaration adopted by the convention of wool growers and wool manufacturers in Syracuse, N.Y., December 13, 1865, as follows:

“*Resolved*, That the mutuality of the interests of the wool producers and wool manufacturers of the United States is established by the closest of commercial bonds—that of demand and supply; it having been demonstrated that the American grower supplies more than 70 per cent of all the wool consumed by American mills, and, with equal encouragement, would soon supply all which is properly adapted to production here; and further, it is confirmed by the experience of half a century, that the periods of prosperity and depression in the two branches of the woolen industry have been identical in time, and induced by the same general causes.

“*Resolved*, That as the two branches of agricultural and manufacturing industry represented by the woolen interest involve largely the labor of the country, whose productiveness is the basis of national prosperity, sound policy requires such legislative action as shall place them on an equal footing, and give them equal encouragement and protection in competing with the accumulated capital and low wages of other countries.

“*Resolved*, That the benefits of a truly national system, as applied to American industry, will be found in developing manufacturing and agricultural enterprise in all the States, thus furnishing markets at home for the products of both interests,” and

Resolved, further, that it is the sense of this meeting that in the coming revision of the tariff the present duties both on wool and woolen goods be maintained without reduction, and

Resolved, That we deplore the so-called German tariff agreement, and demand its abrogation at the earliest possible date, and that we are irrevocably opposed to any change in the administrative customs law that would encourage the undervaluation of imported merchandise.

National Association of Wool Manufacturers.

FORTY-FOURTH ANNUAL MEETING.

THE forty-fourth annual meeting of the National Association of Wool Manufacturers was held February 3, 1909, at the Parker House, being preceded by a lunch to which the members of the Association were invited.

After the lunch the President called the meeting to order at 2 P.M., and called upon the Secretary, Mr. Marvin, to read the call for the meeting. The last previous meeting of the Association was held in July last, at Marblehead Neck, and as the record of that meeting was printed in the September Bulletin and sent to all the members, the reading of the record was dispensed with. The Secretary then presented his report which was accepted, and it was voted that it be printed in the Bulletin. Mr. McPherson presented his report, as Treasurer, for the year, which was accepted and ordered placed on file. The report of the Nominating Committee, Messrs. Samuel Rindge, C. W. Leonard, and W. R. Cordingley, which is as follows, was presented and accepted:

PRESIDENT.

WILLIAM WHITMAN Boston, Mass.

VICE-PRESIDENTS.

CHARLES H. HARDING Philadelphia, Pa.

WILLIAM M. WOOD Boston, Mass.

FREDERIC S. CLARK No. Billerica, Mass.

SECRETARY AND TREASURER.

WINTHROP L. MARVIN Boston, Mass.

EXECUTIVE COMMITTEE.

JOHN N. CARPENDER New Brunswick, N.J.

JAMES DOBSON Philadelphia, Pa.

JOSEPH METCALF	Holyoke, Mass.
ABIEL J. ABBOT	Graniteville, Mass.
JOHN P. WOOD	Philadelphia, Pa.
CHARLES A. STOTT	Lowell, Mass.
THOMAS OAKES	Bloomfield, N.J.
JOHN HOPEWELL	Boston, Mass.
GEO. E. KUNHARDT	Lawrence, Mass.
A. PARK HAMMOND	Rockville, Conn.
J. R. MACCOLL	Pawtucket, R.I.
FRANCIS T. MAXWELL	Rockville, Ct.
J. F. MAYNARD	Utica, N.Y.
EDWIN F. GREENE	Boston, Mass.
WILLIAM H. SWEATT	Boston, Mass.
GEO. H. HODGSON	Cleveland, Ohio.
FERDINAND KUHN	Passaic, N.J.
LOUIS B. GOODALL	Sanford, Me.
C. W. LEONARD	Boston, Mass.
FREDERICK C. FLETCHER	Providence, R.I.

STANDING COMMITTEES.

Finance.

ANDREW ADIE	Boston, Mass.
SAMUEL RINDGE	Boston, Mass.
SAMUEL G. CROFT	Camden, N.J.
WM. R. CORDINGLEY	Boston, Mass.
FREDERICK SWINDELLS	Rockville, Ct.

Statistics.

H. G. B. FISHER	No. Adams, Mass.
A. ALBERT SACK	Providence, R.I.
H. A. FRANCIS	Pittsfield, Mass.
WM. H. CHASE	Leominster, Mass.
N. F. GREELEY	Boston, Mass.

Raw Material.

A. J. ROOT	Cohoes, N.Y.
GORDON DOBSON	Pittsfield, Me.
CHAS. B. ROCKWELL	Bristol, R.I.
GEO. W. BENEDICT	Boston, Mass.
B. F. MELLOR	Plymouth, Mass.

Machinery.

CHAS. H. HUTCHINS	Worcester, Mass.
GEORGE G. DAVIS	No. Andover, Mass.

GEORGE M. BASSETT	Worcester, Mass.
GEORGE O. DRAPER	Hopedale, Mass.
H. W. BUTTERWORTH	Philadelphia, Pa.

There being no other nominations for officers the Secretary was directed to cast one ballot for the list as reported by the committee, which he did and the President declared the gentlemen named in the committee's report elected officers for the year 1909.

On accepting re-election as President, Mr. Whitman spoke at some length upon the work which the Association has done in the past and of certain plans for its usefulness in the interim between tariff revisions. He spoke particularly of the necessity of securing statistical information regarding the industry, independent of and at more frequent intervals than the United States census. He also spoke of the value of the Bulletin to the industry. At the request of Mr. Whitman, the Secretary then read a letter which by the direction of the Executive Committee had been prepared by a special committee and sent to Mr. McPherson at the time of his resignation of the office of Secretary, and it was voted that that letter be made a part of the records of this meeting:

BOSTON, MASS., October 1, 1908.

MR. JOHN BRUCE MCPHERSON, *Secretary National Association of Wool Manufacturers, Boston, Mass.*

DEAR SIR: At a meeting of the Executive Committee of the National Association of Wool Manufacturers on September 22, 1908, your resignation as Secretary and Treasurer of the Association was received and accepted, to take effect on January 1, 1909. The undersigned were at the same time appointed a committee to express to you the regret of the Association that you find it necessary to relinquish the post, our appreciation of your able and loyal services, and our hope that you will soon gain complete recovery of health and strength.

Coming to this place five years ago unfamiliar with its duties, you have devoted yourself untiringly to the work in hand, and have so mastered the general principles and the details involved in those duties that you have served most satisfactorily to all of the members of the Association. We realize that this was not an easy task, that it required the utmost industry and an unusual amount of earnestness and devotion. We are deeply sensible of the high quality of your work and of the fine spirit of loyalty and courage which has characterized it in the face of difficult conditions resulting from

the serious illness of a year ago. No man under these circumstances could do more than you have done, and in reluctantly accepting your resignation we assure you of the heartfelt esteem and gratitude of the officers and members of the National Association of Wool Manufacturers.

Very truly yours,

(Signed) WM. WHITMAN,
J. F. MAYNARD,
FREDERIC S. CLARK.

A telegram, received from Mr. Richard Campion, urging that the Association take action in opposition to the proposition for a Tariff Commission, was read, and the Secretary was requested to prepare a resolution to be submitted to the meeting. A series of resolutions, defining the position of the Association on tariff revision and approving the action of President Whitman at recent tariff hearings before the Ways and Means Committee, was read, and after some slight amendments was unanimously adopted, as follows:

“ *Resolved*, That the National Association of Wool Manufacturers hereby reaffirms the position taken by President Whitman on its behalf in December last before the Committee on Ways and Means in Washington, that in the forthcoming revision of the tariff Schedule K relating to wool and woolens be left substantially unchanged, as we regard the schedule as the most satisfactory ever drawn, and the present protection as adequate but no more than adequate for the best interests of the industry.

“ *Resolved*, That a great National industry like the wool manufacture should be founded upon independence of foreign countries for the principal supply of its chief raw material, and therefore we believe that American wool growers, who already supply 70 per cent of this material, should continue to be shielded by sufficient duties against the wool growers of other lands and races. National encouragement of sheep husbandry not only makes for the security of the wool and woollen industry, but results in cheaper food and clothing for the people.

“ *Resolved*, That asking for no increase whatever in any duty now protecting the manufacture of wool, we reiterate our request of last December that wool tops, a semi-manufactured article, now dutiable under the general clause as manufactures of wool not specially provided for, be transferred to and made dutiable under the lower classification to which it logically belongs.

“ *Resolved*, That the maintenance of the present rates in general pro-

tecting the American wool manufacture is justified and demanded by the increasing wages of American labor, the narrowing profits of American capital, the growth of foreign importations, and the fact that the industry is entirely dependent on the domestic market, never having secured an appreciable outlet abroad.

“Resolved, That to reduce the protection in the face of these conditions would be to sacrifice an industry in which foreign and domestic competition is extraordinarily severe, by driving labor and capital out of American woolen and worsted mills into other more fortunate and less hazardous undertakings, not so essential to the broad industrial development and economic independence of America.”

The Secretary having prepared a resolution respecting a Tariff Commission submitted it to the meeting as follows, and it was unanimously adopted:

“Resolved, That we record our emphatic disapproval of the scheme for a Tariff Commission. We believe that the preparation of the new tariff can best be performed by the committees of the Congress to which the task is intrusted by the Constitution. These committees already possess all the necessary power to procure evidence and to command expert assistance. A permanent Tariff Commission, seeking to justify its existence by constant activity, would be a serious menace to the peace and rest which American business requires above all things in the intervals between one tariff revision and another.”

Mr. Frederic S. Clark called attention to the illness of the Hon. Charles A. Stott, and presented the following resolutions, which were unanimously adopted and ordered spread upon the records. The Secretary was directed to send a copy of the same to Mr. Stott:

“Whereas, Major Charles A. Stott of the Belvidere Woolen Mills, Lowell, an honored member of the Executive Committee of the National Association of Wool Manufacturers — to which organization he has given many years of service and counsel — whose genial presence has always added to the good-fellowship and joy of the annual meetings, is unable because of illness to be present on this occasion, therefore, be it

“Resolved, That the heartfelt sympathy of the members here assembled be extended to him, coupled with the hope that not only may his life long be spared, but that he may soon be able to resume his customary place, both at the Council Table of the Association, and at our annual gathering.

“Resolved, That the Secretary be directed to send a copy of this

minute to Major Stott, and spread it at length upon the minutes of this meeting."

The President read a letter recently received containing in concise form suggestions which he thought might be considered by the Executive Committee in planning for future work for this Association. He then read the following resolutions which, after some discussion in which the Messrs. Harding, Clark, Oakes, Lane and others participated, were unanimously adopted:

"Whereas, It is of the utmost importance to the business interests of the country that transportation facilities should advance in scope and in quality proportionately to the demands of traffic and in anticipation of traffic yet to be developed, and holders of capital at present seem reluctant to lend their funds for railroad construction and improvements, fearing that public hostility will result in legislation and decrees of commissions tending to depress unduly the revenues of the railroads and interfere unreasonably with their operation; therefore, be it

"Resolved, That the National Association of Wool Manufacturers urge members of Congress and of the State legislatures to make careful inquiry as to proposed restrictive measures affecting railroads, and to seek the encouragement of a spirit of calm deliberation in the discussion of railroad problems "

Mr. Charles H. Harding, referring to the resolutions adopted defining the position of the Association, stated some facts in regard to the imposition of the high rate of duty on tops which had recently come to his knowledge, from which it appeared that the modification of paragraph 364 of the Dingley law, which resulted in the imposition of the high duty, was owing to the action and influence of Judge Lawrence. Mr. Whitman referred to the recent meeting of carded wool manufacturers in Boston, and read a letter from Mr. Robert Bleakie and also one from Mr. Edward Moir, in which it was stated that the committee of wool manufacturers was ready to meet the Tariff Committee of the National Association. Mr. Whitman also spoke of additional material which is in preparation for presentation to the Ways and Means Committee. He also stated that an examination is being prepared of the report of Mr. W. A.

Graham Clark, agent of the United States Bureau of Manufactures.

A letter was read from Mr. George S. Walker, Secretary of the National Wool Growers Association, expressing the gratification of that organization at the presence of Vice-President Harding at its recent meeting at Pocatello, and at the request of the meeting Mr. Harding made a brief statement of his experiences at that meeting and the impressions he had received from the wool growers respecting their attitude towards the duties on wool as well as those on manufactured goods.

There being no other business, the meeting adjourned.

WINTHROP L. MARVIN,
Secretary.

ANNUAL REPORT OF THE SECRETARY.

To the Members of the National Association of Wool Manufacturers :

In accordance with the by-laws of the Association, the Secretary herewith submits his report for the year ending the first Wednesday of February — or rather for that part of the year not covered by the extended report of your former Secretary, Mr. John Bruce McPherson, presented at the adjourned annual meeting of the Association at Marblehead on Tuesday, July 21 last. The regular annual meeting, which the by-laws require to be held on the first Wednesday in February, was postponed last year for good and sufficient reasons, and a change was made from the usual winter banquet to a mid-summer gathering at one of the most delightful ports of the North Shore.

In the following month of August Mr. John Bruce McPherson, the Secretary of the Association, was forced by long-continued ill health to resign the post which he had filled for five years with conspicuous fidelity to the large interests of the Association. The resignation was reluc-

tantly accepted by the Executive Committee, which made formal record of its appreciation of the able and devoted services of Mr. McPherson, and on September 22 I was elected to succeed him as the Secretary of the Association, the change to become effective January 1, 1909. But at the request of President Whitman I began on October 1 to assist in the preparation of the statements which were to be presented, on behalf of the Association, before the Committee on Ways and Means in Washington.

As a result of information from the far West that the attitude of the wool manufacturers toward the wool duties was seriously misunderstood in that distant section of the country, an important conference between committees of the National Wool Growers' Association and the National Association of Wool Manufacturers was held at the Palmer House in Chicago on October 15, 1908. There were present, on behalf of the latter association, President William Whitman, of Boston, chairman *ex-officio* of the committee, and Messrs. Charles H. Harding, of Philadelphia; Thomas Oakes, of Bloomfield, N.J.; Francis T. Maxwell, of Rockville, Conn., and Louis B. Goodall, of Sanford, Me. President Whitman presided at this conference, which reaffirmed the resolutions adopted at a convention of wool growers and wool manufacturers in Syracuse, N.Y., on December 13, 1865, emphasizing the mutuality of the interests of the wool producers and the wool manufacturers and declaring for the maintenance of adequate protection for both interests. This conference had the immediate effect of silencing the fear in the far Western country that the Eastern manufacturers would demand free wool or a serious reduction of the duties, and the wool growers expressed themselves as deeply gratified with the opportunity to meet and talk face to face with a representative committee of the manufacturing industry.

The Executive Committee of the Association had, in September, authorized President Whitman to select not only this committee of conference with the wool growers, but a special Tariff Committee, to prepare and present the case for the industry in the hearings before the Committee on Ways and Means in Washington. The work of preparation was

promptly undertaken and was pushed very rapidly after the conference with the wool growers in Chicago. Before the end of November the statement was complete. December 2 was the day set for the hearing on Schedule K relative to wool and woolens. On the day before, the statement which had been prepared was submitted by President Whitman to a meeting of the Tariff Committee of this Association in Washington, and was duly revised and approved by that committee. Later it was approved also by a committee of the Manufacturers' Club of Philadelphia, and President Whitman was authorized to represent the Manufacturers' Club as well as this Association in presenting the statement on the following day, December 2, before the Committee on Ways and Means of the House of Representatives.

After representatives of the wool growers had been heard, President Whitman presented his statement, speaking particularly from the standpoint of the wool manufacturer, and subsequently answering at length many questions put by Chairman Payne and his associates of the Committee on Ways and Means. The chairman especially requested that a separate statement be prepared, explaining and justifying the system of compensatory duties. This statement was at once begun and completed in time to be examined and approved by a meeting of your Tariff Committee at the Waldorf-Astoria in New York on January 12. This was conveyed by your Secretary to Washington and filed, on January 14, with the Committee on Ways and Means and immediately printed. Other statements supplementing the original testimony are now in hand and indeed practically complete, ready to be transmitted to Washington as soon as they have received the sanction of the Tariff Committee.

This Tariff Committee is made up as follows:

MR. WILLIAM WHITMAN, <i>President</i>	MR. JOHN HOPEWELL,
<i>and Chairman ex-officio,</i>	" WALTER ERBEN,
" CHARLES H. HARDING,	" EDWIN FARNHAM GREENE,
" J. R. MACCOLL,	" LOUIS B. GOODALL,
" FRANCIS T. MAXWELL,	" FREDERIC S. CLARK,
" J. F. MAYNARD,	" JOHN P. WOOD,
" GEORGE E. KUNHARDT,	" N. T. FOLWELL,
" THOMAS OAKES,	" JOSEPH R. GRUNDY.

The committee has devoted considerable time and labor to its appointed work, and its members have been singularly responsive to their duties and faithful in their attendance at all of the meetings, whether in Boston, New York, or Washington. With the presentation of the testimony the actual work of tariff revision has now been well begun. It is the understanding that a tentative tariff bill will be completed by the Committee on Ways and Means soon after March 1 next, and submitted to the House at the opening of the special session. It is also understood that Schedule K has not yet been reached for consideration by the committee, but it will necessarily be taken up at some time within the next four weeks.

Your Tariff Committee has asked that Schedule K be maintained substantially as it is at present, with no reduction of the existing protection to either the wool growers or the wool manufacturers. All of the arguments which have been submitted have been framed to sustain this request. It is confidently believed that these arguments constitute a more complete presentation of the case for the wool and woolen industry than has ever before been submitted to the National law makers. It is believed, moreover, that they have convinced the tariff makers that our industry cannot afford to and ought not to be compelled to submit to any serious reduction in the rates of protection now given by the Dingley law.

The expectation is that the new Congress will be summoned to meet in special session about March 10, and the effort of the leaders of the Senate and House will be to complete the enactment of the new tariff law before July has ended. This will be an anxious period for our own industry, as well as for every industry exposed to foreign competition. The Tariff Committee and the officers of the Association, in their effort to defend your interests, will require and deserve the loyal coöperation of all of the members of the Association. Thus far all requests for exact information have brought a quick and loyal response, and there is good reason to believe that, with all the arguments which have been thus far sub-

mitted and those now awaiting presentation, the Committee on Ways and Means will find authoritatively stated the facts and figures which it needs, and that these facts and figures, the frank, precise, compelling truth, will prove the best possible bulwark of our industry against any sharp, arbitrary and disastrous change in the protective duties.

It was at first hoped by the officers of the Association that the annual meeting this year could be signalized by a banquet at which we should have the pleasure of listening to addresses by important public men. But a little informal inquiry by your Secretary in Washington developed the fact that Senators and Representatives, the very men we should most like to hear, could not conveniently leave Washington at this season, with the increasing pressure of public business as the short session of Congress draws to its close. Therefore, it was determined to hold this annual business meeting only, and to postpone the banquet until after the work of tariff revision shall have been completed.

All of which is respectfully submitted.

WINTHROP L. MARVIN,
Secretary.

BOSTON, February 3, 1909.

COMPARATIVE STATEMENT OF IMPORTS AND EXPORTS OF
WOOL AND MANUFACTURES OF WOOL FOR THE TWELVE
MONTHS ENDING DECEMBER 31, 1907 AND 1908.

GROSS IMPORTS.

ARTICLES AND COUNTRIES.	Quantities for Twelve Months ending December 31.		Values for Twelve Months ending December 31.	
	1907.	1908.	1907.	1908.
WOOL, HAIR OF THE CAMEL, GOAT, ALPACA, ETC., AND MANUFACTURES OF:				
UNMANUFACTURED—				
Class 1—Clothing (dutiable)—				
Imported from—	<i>Pounds.</i>	<i>Pounds.</i>		
United Kingdom	19,049,657	28,814,466	\$5,033,922	\$5,721,256
France	76,708	30,534	11,190	4,102
South America	21,762,998	21,266,264	5,044,526	3,491,362
Asia and Oceania	37,818,388	15,053,582	10,204,470	4,014,273
Other countries	1,042,378	2,429,485	265,684	400,525
Total	79,750,129	67,594,331	\$20,559,792	\$13,631,518
Class 2—Combing (dutiable)—				
Imported from—				
United Kingdom	10,703,175	12,034,139	\$3,104,726	\$2,532,205
Other Europe	992,905	37,084	358,493	11,334
British North America	1,991,846	739,409	541,977	134,641
South America	2,007,780	1,299,399	644,116	248,688
Other countries	108,098	29,216	36,730	7,628
Total	15,803,804	14,139,247	\$4,686,042	\$2,934,496
Class 3—Carpet (dutiable)—				
Imported from—				
United Kingdom	13,571,769	22,697,005	\$2,464,791	\$2,526,695
France	2,899,824	491,366	522,335	67,864
Germany	2,325,867	936,345	444,907	114,307
Other Europe	24,041,548	8,199,533	3,836,691	1,010,653
South America	1,459,784	2,358,055	410,085	228,649
Chinese Empire	31,618,059	17,663,908	3,924,208	1,754,279
Other Asia and Oceania	16,396,990	8,036,466	2,756,531	997,616
Other countries	438,181	443,128	67,625	38,388
Total	92,732,022	60,825,806	\$14,427,173	\$6,738,451
Total unmanufactured	188,305,955	142,559,384	\$39,673,007	\$23,304,465
MANUFACTURES OF—				
Carpets and Carpeting (duti- able)—				
Imported from—	<i>Sq. Yards.</i>	<i>Sq. Yards.</i>		
United Kingdom	184,879	145,707	\$485,224	\$370,801
Other Europe	589,985	419,624	2,850,122	1,823,668
Asia and Oceania	189,517	142,677	808,499	528,807
Other countries	4,376	1,557	31,385	10,287
Total	968,757	709,565	\$4,175,230	\$2,733,563

COMPARATIVE STATEMENT OF IMPORTS AND EXPORTS OF WOOL, ETC.

GROSS IMPORTS. — *Continued.*

ARTICLES AND COUNTRIES.	Quantities for Twelve Months ending December 31.		Values for Twelve Months ending December 31.	
	1907.	1908.	1907.	1908.
	<i>Pounds.</i>	<i>Pounds.</i>		
Clothing, ready-made, and other wearing apparel, except shawls and knit fabrics (dutiable) . . . . .	.....	.....	\$1,768,784	\$1,349,416
CLOTHS—(dutiable)— Imported from—				
United Kingdom	2,427,425	1,848,491	\$2,892,224	\$2,233,575
Austria-Hungary	363,714	215,533	349,854	201,290
Belgium	382,150	440,611	572,651	432,875
France	178,878	98,467	227,581	143,201
Germany	1,836,439	1,186,898	1,769,493	1,135,398
Other countries	13,827	12,362	16,532	15,848
Total	5,202,433	3,802,362	\$5,628,335	\$4,162,187
DRESS GOODS, WOMEN'S AND CHILDREN'S—(dutiable)— Imported from—	<i>Sq. Yards.</i>	<i>Sq. Yards.</i>		
United Kingdom	22,818,807	16,657,978	\$3,812,866	\$2,734,256
France	19,485,363	9,679,702	3,981,635	2,177,844
Germany	10,762,573	6,339,732	2,759,458	1,571,733
Other countries	623,963	159,646	133,826	46,873
Total	53,690,706	32,837,058	\$10,687,785	\$6,530,706
	<i>Pounds.</i>	<i>Pounds.</i>		
Knit fabrics (dutiable) . . . . .	.....	.....	\$53,238	\$69,954
Mungo, flecks, shoddy, noils, wool extracts, rags, and waste (dutiable)	1,432,659	287,617	198,602	94,441
Yarns (dutiable)	257,695	115,778	193,475	96,454
All other (dutiable) . . . . .	.....	.....	711,085	515,522
Total manufactures of . . . . .	.....	.....	\$23,416,534	\$15,552,243

COMPARATIVE STATEMENT OF IMPORTS AND EXPORTS OF
WOOL, ETC. — *Concluded.*

EXPORTS OF WOOL AND MANUFACTURES OF.

FOREIGN.				
ARTICLES.	1907.	1908.	1907.	1908.
	Quantities.	Quantities.	Values.	Values.
WOOL, HAIR OF THE CAMEL, GOAT, ALPACA, ETC., AND MANUFACTURES OF:				
UNMANUFACTURED—				
Class 1—Clothing (dutiable) lbs .	1,064,685	890,597	\$224,711	\$179,721
Class 2—Combing “ “ .	135,241	93,423	36,644	25,957
Class 3—Carpet “ “ .	1,909,148	6,001,044	254,098	956,750
Total unmanufactured	3,109,074	6,985,064	\$515,453	\$1,162,428
MANUFACTURES OF—				
Carpets and carpeting, sq. yds., dutiable	13,618	11,598	\$64,403	\$84,309
Clothing, ready made, and other wearing apparel, dutiable			13,285	18,356
Cloths, pounds, dutiable	28,233	108,140	25,990	101,566
Dress goods, women's and chil- dren's, sq. yds., dutiable	196,626	405,435	33,853	77,315
Knit fabrics, dutiable			73	
Mungo, flocks, shoddy, noils, wool extracts, rags, and waste, pounds, dutiable	11,098	42,111	766	879
Yarns, pounds, dutiable	892	635	669	498
All other, dutiable			23,524	13,356
Total manufactures of			\$162,563	\$296,279
DOMESTIC.				
WOOL, AND MANUFACTURES OF —				
Wool, raw, lbs.	86,379	168,691	\$20,667	\$34,554
MANUFACTURES OF—				
Carpets, yards	64,446	50,003	\$57,604	\$50,105
Dress goods, yards	10,737	16,373	8,339	13,110
Flannels and blankets			34,461	36,288
Wearing apparel			1,774,651	1,553,463
All other			455,903	289,808
Total			\$2,330,958	\$1,942,774

QUARTERLY REPORT OF THE BOSTON WOOL MARKET FOR OCTOBER, NOVEMBER, AND DECEMBER, 1908.

DOMESTIC WOOLS. (GEORGE W. BENEDICT.)

	1908.			1907.
	October.	November.	December.	December.
OHIO, PENNSYLVANIA, AND WEST VIRGINIA.				
(WASHED.)				
XX and above	33	33 @ 34	34	33 @ 34
X	30	30 @ 31	31 @ 32	31 @ 32
$\frac{1}{2}$ Blood	34 @ 35	35 @ 36	37 @ 38	37 @ 38
"	33	34	35	35 @ 36
"	32	33	34	34
Fine Delaine	35	36	37	37 $\frac{1}{2}$ @ 38
(UNWASHED.)				
Fine	22	22	23	25 $\frac{1}{2}$ @ 26
$\frac{1}{2}$ Blood	26	27	29	31 @ 32
"	26	27	28	29 @ 31
"	25	26	27	29 @ 31
Fine Delaine	27	28	30	31
MICHIGAN, WISCONSIN, NEW YORK, ETC.				
(WASHED.)				
Fine	33	34	35 @ 36	36 @ 37
$\frac{1}{2}$ Blood	32	33	34	34 @ 35
"	31	32	33	34 @ 35
Fine Delaine	34	35	36	36 @ 36 $\frac{1}{2}$
(UNWASHED.)				
Fine	21	21	22	25
$\frac{1}{2}$ Blood	25	26	28	31
"	24	25	27	29 @ 30
"	23	24	26	28 @ 28 $\frac{1}{2}$
Fine Delaine	26	27	28	28 @ 28 $\frac{1}{2}$
KENTUCKY AND INDIANA.				
(UNWASHED.)				
$\frac{1}{2}$ Blood	26	27	28	29 @ 31
"	25	26	27	29 @ 31
Braid	21	22	23	25 @ 26
MISSOURI, IOWA, AND ILLINOIS.				
(UNWASHED.)				
$\frac{1}{2}$ Blood	24	25	26	28 @ 30
"	23	24	25	28 @ 30
Braid	21	22	23	24 @ 25
TEXAS.				
(SCOURD BASIS.)				
Spring, fine, 12 months	56	56	60	67 @ 68
" " 6 to 8 months	47	50	52	60 @ 61
" " medium, 12 months	48	50	53	58 @ 59
" " 6 to 8 months	41	43	45	50 @ 52
Fall, fine	42	45	47	48 @ 50
" medium	40	41	42	43 @ 45
CALIFORNIA.				
(SCOURD BASIS.)				
Spring, Northern, free, 12 months	47	50	55	64 @ 65
" " " 6 to 8 months	43	46	50	58 @ 60
Fall, free	35	38	42	48 @ 50
" defective	28	30	33	33 @ 38
FERRITORY WOOL: Montana, Wyoming, Utah, Idaho, Oregon, etc.				
(SCOURD BASIS.)				
Staple, fine and fine medium	58	60	62	68 @ 70
" medium	50	52	55	62 @ 63
Clothing, fine	48	52	57	60 @ 61
" " medium	46	49	52	57 @ 58
" " medium	44	47	50	52 @ 55
NEW MEXICO. (Spring.)				
(SCOURD BASIS.)				
No. 1	49	52	55	58 @ 60
No. 2	41	43	45	50 @ 52
No. 3	28	32	35	38 @ 40
No. 4	25	28	32	30 @ 32
NEW MEXICO. (Fall.)				
(SCOURD BASIS.)				
No. 1	40	42	45	48 @ 50
No. 2	31	35	37	40 @ 42
No. 3	25	27	30	33 @ 34
No. 4	23	25	27	28 @ 30
GEORGIA AND SOUTHERN.				
Unwashed	24	25	27	26

DOMESTIC WOOL.

BOSTON, December 31, 1908.

The better feeling noted in our report at the close of the last quarter developed during October, November, and December into a very active market, during which prices made substantial recovery from the low point of the depressed period following the panic of a year ago. It must be said, however, that the appreciation in values has been gradual and, generally speaking, both buying and selling have been done on a more rational and intelligent basis than during some previous periods of great activity in the wool market.

Anticipating a satisfactory heavy weight season, manufacturers felt perfectly safe in covering their prospective wants as far as possible, and in so doing they made no mistake.

Staple grades of fleece wool are almost entirely contracted for and good lines of territory are in small supply. Scoured wools have also shared in the broad buying movement and there has been considerable speculation (especially in this class of stock) between dealers.

The year closes with a very light supply of all classes of domestic wool and prices are exceedingly firm with tendency towards higher values.

GEORGE W. BENEDICT.

PULLED WOOLS. (*Scoured basis.*) (W. A. BLANCHARD.)

	1908.			1907.
	October.	November.	December.	December.
Brushed, Extra	55 @ 62	60 @ 65	65 @ 68	67 @ 72
Fine A	47 @ 52	50 @ 55	55 @ 60	57 @ 62
A Super	42 @ 45	45 @ 50	50 @ 55	48 @ 53
B Super	35 @ 38	38 @ 43	40 @ 50	37 @ 44
C Super	22 @ 26	24 @ 27	25 @ 28	28 @ 32
Fine Combing	50 @ 52	52 @ 55	55 @ 60	53 @ 60
Combing	38 @ 42	42 @ 47	47 @ 53	45 @ 47
California, Extra	48 @ 53	50 @ 56	55 @ 60	60 @ 67

PULLED WOOLS.

As compared with the previous three months the quarter shows one of those radical changes in demand and values which occur only once in a decade. It must be noted, however, that the business has been mainly confined to wools suitable for worsteds, and that the woolen mills are still, to a large extent, out of the market.

A and B supers at this season being of combing length have been taken as fast as made and at sharp advances. The best New York B's brought 32 cents in October, 36 cents in November, and 40 cents in December, and the A's show a corresponding rise. Strictly combing grades are not made until the middle of November, so that the early quotations are merely nominal; but later the production met with ready sale excepting when checked by too excessive a rise in price. Extras and fine A's are not an important feature at this time, being limited in amount and staple, but those offered have sold

readily. Even C wools have felt the improvement, though in a lesser degree, and the best of them have been bought by the worsted spinners.

The market for the quarter closed strong and with light stocks, many of the pullers being sold up to production and in some instances contracted ahead on certain specialties.

W. A. BLANCHARD.

FOREIGN WOOLS. (MAUGER & AVERY.)

	1908.			1907.
	October.	November.	December.	December.
Australian Combing:				
Choice	41 @ 43	41 @ 42	42 @ 44	43 @ 45
Good	39 @ 40	39 @ 40	39 @ 41	41 @ 42
Average	37 @ 38	37 @ 38	38 @ 39	40 @ 41
Australian Clothing:				
Choice	41 @ 42	41 @ 42	41 @ 42	43 @ 45
Good	39 @ 40	39 @ 40	39 @ 41	41 @ 42
Average	37 @ 39	37 @ 39	37 @ 39	38 @ 39
Sydney and Queensland:				
Good Clothing	38 @ 40	38 @ 40	39 @ 41	41 @ 43
Good Combing	40 @ 41	40 @ 42	40 @ 42	41 @ 42
Australian Crossbred:				
Choice	36 @ 38	37 @ 39	37 @ 39	43 @ 45
Average	31 @ 33	32 @ 34	33 @ 35	40 @ 41
Australian Lambs:				
Choice	42 @ 44	42 @ 44	42 @ 46	43 @ 45
Good	40 @ 42	40 @ 42	40 @ 43	40 @ 43
Good Defective	33 @ 35	34 @ 36	35 @ 38	33 @ 35
Cape of Good Hope:				
Choice	32 @ 34	32 @ 34	34 @ 26	35 @ 36
Average	29 @ 30	29 @ 30	31 @ 33	30 @ 31
Montevideo:				
Choice	30 @ 32	30 @ 32	30 @ 32	35 @ 37
Average	29 @ 30	29 @ 30	29 @ 30	32 @ 33
Crossbred, Choice	28 @ 30	28 @ 30	28 @ 30	34 @ 36
English Wools:				
Sussex Fleece	36 @ 37	37 @ 38	37 @ 38	39 @ 41
Shropshire Hogs	35 @ 36	35 @ 37	36 @ 37	38 @ 39
Yorkshire Hogs	33 @ 34	33 @ 34	33 @ 34	36 @ 38
Irish Selected Fleece	33 @ 34	33 @ 34	33 @ 35	37 @ 38
Carpet Wools:				
Scotch Highland, White	15 @ 16	16 @ 18	18 @ 20	23 @ 24
East India, 1st White Joria	25 @ 26	25 @ 27	26 @ 28	27 @ 28
East India, White Kandahar	22 @ 25	23 @ 26	24 @ 26	25 @ 26
Donskoi, Washed, White	27 @ 29	27 @ 30	28 @ 30	26 @ 28
Aleppo, White	16 @ 18	17 @ 19	18 @ 20	31 @ 32
China Ball, White	17 @ 19	17 @ 19	17 @ 19	18 @ 19
“ “ No. 1, Open	17 @ 19	17 @ 19	17 @ 19	15 @ 18
“ “ No. 2, Open	13 @ 15	12 @ 14	12 @ 14	12 @ 14

FOREIGN WOOL.

The demand for crossbred Australian wools noted in previous quarter continued through the closing months of the year. Domestic wools were very scarce and hard to obtain, and manufacturers were compelled to select from the foreign wools offering. America was a large buyer at the September and December sales, and the purchases were quickly absorbed on arrival.

Merino wools were also in better request during the closing months of the

year, values here being low compared with European quotations. The steady absorption of the surplus wools which had been carried over through several sales in London gave confidence to buyers, not only in Europe, but in America, Americans leading in the purchases of wools in the colonial market. Prices opened strong in Australia, and the keenness of the competition prevented any weakening in values.

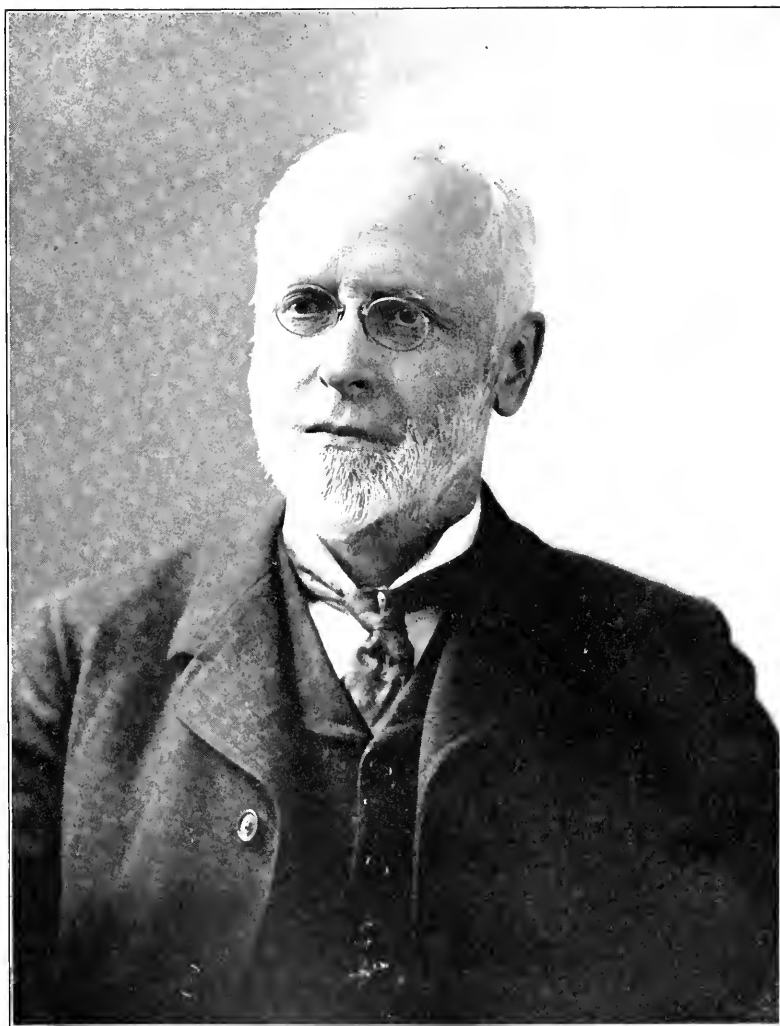
Carpet wools continued high, and owing to the unsatisfactory sale of carpets, manufacturers were unwilling purchasers, and bought only as they were compelled to keep up their blends.

Australian lamb's wool continues high in cost, and most of the knit goods manufacturers have practically given up its use.

English wools have been in good demand during the period under review, and one or two mills have been heavy purchasers of wools selected for their special use.

MAUGER & AVERY.

JANUARY 1, 1909.



Henry G. Kirtledge

BULLETIN

OF THE

National Association of Wool Manufacturers

A QUARTERLY MAGAZINE

DEVOTED TO THE INTERESTS OF THE NATIONAL WOOL INDUSTRY.

VOL. XXXIX.]

BOSTON, JUNE, 1909.

[No. II.]

THE SPEECH OF SENATOR DOLLIVER.

HIS ATTACK ON THE WOOLEN DUTIES AND THE REPLY OF
THE NATIONAL ASSOCIATION.

HON. JONATHAN P. DOLLIVER, of Iowa, delivered in the Senate on May 4 and 5, 1909, during the general debate on the new tariff bill, a long and elaborate speech, severely attacking the woolen and cotton duties of the bill. Mr. Dolliver prefaced his criticism with an earnest assurance that he was a protectionist, and that he meant to do no harm to any existing industry — a merciful protest, recalling similar assertions that no injury was meant by President Cleveland and by the Democratic authors of the Mills and Gorman-Wilson tariffs. These gentlemen also, in launching their attacks, always proclaimed their devoted friendship to American industry and their gracious intention to cut only deep enough to draw a little blood from the victim without endangering his health or life.

After Mr. Dolliver had concluded his address, Senator Aldrich replied tersely but pointedly, characterizing the Dolliver effort as, in effect, an "importers' brief." It should be recorded here as a matter of history that Senator Dolliver was an ardent aspirant for the place on the Senate Committee on Finance made vacant by the death of his venerable colleague, Senator Allison. Senator Aldrich made a covert reference to this — and another motive that is supposed to

have animated Mr. Dolliver is a desire to prove to the Iowa farm-folk that he is as good a radical and as fierce a foe of corporations as the new junior Senator from Iowa, Mr. Cummins.

The foreign manufacturing interests and their representatives in this country have been jubilant over the speech of Senator Dolliver. They regard it as the most formidable blow delivered in the course of the present debate against the American system of protection. This high valuation put upon Mr. Dolliver's services by the foes of American industry makes it perhaps advisable to examine some of his contentions, so far as they relate to the wool and woolen schedule. One of these contentions has to do with the single duty on English and Canada combing wools.

SINGLE DUTY ON COMBING WOOL.

The single duty on washed wools of Class II has stood in our tariff law since 1867. These wools in the years before 1867 had been imported largely from Canada, and under the reciprocity treaty of that time they were free of duty. This reciprocity treaty was abrogated in 1866. There was much concern among American manufacturers at that time over the effect of the abrogation on the worsted manufacturing industry, for wools similar to the Canada combing wools were not then produced in considerable quantities in the United States.

Senator Dolliver quoted an assertion of Mr. Edward A. Greene that the single duty on English and Canada wools was inserted into the law of 1867 through the individual activity and influence of Mr. Edmands, Treasurer of the Pacific Mills at Lawrence, Massachusetts. This is not true. The request for a single duty on or some special consideration for the English and Canada combing wools was made not by Mr. Edmands as an individual, but by authorized representatives of the manufacturing industry in general, through the executive committee of the National Association of Wool Manufacturers, of which Mr. E. B. Bigelow was chairman.

Mr. Edmands was one of the several members of that committee ; that is all.

This committee presented its case in due form to the United States Revenue Commission of 1865-1866. Its statement was dated from the office of the National Association of Wool Manufacturers at Boston on January 18, 1866, and was signed by Dr. John L. Hayes, Secretary of the Association. This statement was accompanied by memorials from manufacturers declaring that the whole of the worsted manufacturing industry of America was dependent upon the supply of Canada wools, and that if these Canada wools should be subject to a very high rate of duty the greater part of the manufacture would have to be suspended. These arguments convinced the members of the United States Revenue Commission, and the single duty upon English and Canada combing wools has continued to the present time.

This single duty upon English and Canada combing wools was imposed in 1867 with the sanction of the American wool-growing interests. They recognized that peculiar conditions justified peculiar treatment of these wools. The history of the single duty on combing wools has been recently reviewed by the National Association of Wool Manufacturers in a letter, sent on December 23, 1908, to the Chairman of the Committee on Ways and Means. This letter stated :

The desire of the American wool growers in the tariff of 1867, as it is their desire to-day, was to secure ample protection against the importation of clothing wools which compete with the wools produced in this country. All of the clothing wools under the tariffs of 1857, 1861, and 1864 had been imported in an unwashed condition. If they could be imported washed they would evade the duty intended, and this provision was put into the law in 1867 to prevent it. The wools of Class II had always been imported in a washed condition. To apply a double duty to them would have been practically to prohibit their importation. A double duty to-day would also be prohibitive, for there are no washed Class II wools in existence within the tariff definition except those of Great Britain and Canada. These always reach the market in a washed condition, and a double duty would be

equivalent to an edict absolutely forbidding their importation, and would have a disastrous effect upon those branches of manufacturing which require these particular wools for lustrous effects. The price of Class II washed wools in Great Britain is enough higher than of unwashed wools similar in character grown in other countries to bring them to a parity of value in a scoured state under normal trade conditions.

In a second letter of February 9, 1909, to the Chairman of the Committee on Ways and Means, this matter of the combing wools was again referred to as follows :

Combing wool from England and Canada — a long, rather coarse and distinctly lustrous fiber — is and long has been imported washed, subject to a single duty as wool of Class II. It has been the practice of English and Scotch wool growers for many generations to wash the wool on the sheeps' backs, and this has naturally become the practice of the wool growers of English and Scotch descent in Canada. There has been some criticism of the fact that wool of Class II, though washed, is imported at a single duty, while wool of the first class, washed, is required to pay double duty — and it has been asserted that this provision of the tariff gives a distinct advantage to worsted as compared with woollen manufacturers.

Such an assertion is based upon a serious misapprehension of the facts. In the first place, this provision for a single duty on washed wools of Class II is not of recent origin or inspiration. It has stood in our tariff law for almost forty years. Indeed it is indispensable if these combing wools are to be imported at all, for they are always washed by the growers themselves, and are always imported washed, and they could not be imported at all if they were subject to a double duty ; such a duty on these combing wools would absolutely prevent their use, for the limited purpose for which they are employed, by the manufacturers of America.

No discrimination was intended and none, as a matter of fact, is made by that clause of the tariff which admits these washed combing wools of Class II at a single duty. These particular wools, like all of the foreign wools embraced in Classes I and II of Schedule K, are equally available to manufacturers engaged in any branch of the industry. While it is true that the coarse, long, lustrous wools, for the

most part grown in England and Canada and imported into this country in the washed condition, are best adapted for the production of lustrous goods, and the bulk of these wools are used in the manufacture of coat linings and women's dress goods, yet they could be utilized in the manufacture of men's wear worsteds and woollens if such fabrics as they produce were desired by the American people. As to coat linings themselves, they are a special product and do not compete with the usual products of the woolen mills.

When the tariff of 1867 was enacted the distinction between combing wools and clothing wools was quite different from what it is to-day. The development of the worsted industry has brought about a complete change in the characterization of such wools. With slight exceptions, it might now be said that all wools grown in the world are suitable either for the worsted or the woolen manufacture, so far as manipulation is concerned. Nearly all the wools that are combed in the United States are prepared for such combing by the carding process. The growth of the worsted industry has compelled the use of what were known as clothing wools not many years ago.

It cannot be too strongly emphasized that these combing wools from England and Canada, though valuable because of their peculiar qualities to a portion of our worsted manufacturers, form only a small fraction of the total wool importation, or wool consumption of America. The worsted manufacturers, though some of them do require these wools and could not easily produce certain limited kinds of goods without them, yet utilize very much greater quantities of wool of other varieties.

Following is a statement of the imports of Class II wools entered for consumption, exclusive of Angora, alpaca, camel's hair, etc., at all ports of the United States for the fiscal years 1904-1908, inclusive:

	Pounds.
1904	11,427,861
1905	19,296,833
1906	15,086,504
1907	9,885,998
1908	9,936,510

Following is a statement of the total gross imports of Class II wools, including alpaca, mohair, etc., at all ports of the United States for the fiscal years 1904-1908, inclusive:

	Pounds.
1904	12,934,143
1905	26,551,624

	Pounds.
1906	15,204,254
1907	10,671,378
1908	13,332,540

Following is a statement of the gross imports of Class I wools from all countries at all ports of the United States, for the fiscal years 1904-1908, inclusive :

	Pounds.
1904	45,575,993
1905	109,888,258
1906	86,810,307
1907	82,982,116
1908	45,798,303

Following is a statement of the total wool production of the United States, as estimated by the National Association of Wool Manufacturers for the five years 1904-1908, inclusive :

	Pounds.
1904	291,783,032
1905	295,488,438
1906	298,715,130
1907	298,294,750
1908	311,138,321

It is manifest, therefore, that the importation of Class II wools, *exclusive* of alpaca, Angora goat, camel's hair, etc., averaging for the five years 13,126,741 pounds a year, though valuable to a part of our worsted manufacture, represents a relatively small factor in the total wool consumption of the worsted mills of the United States, or of the wool manufacturing industry as a whole. It is therefore exceedingly unjust to urge that the importation at a single duty of this relatively small amount of combing wools gives the worsted manufacturers an undue advantage over the woolen manufacturers of this country. As a matter of fact, the total amount of these combing wools imported represents less than 4 per cent of the total consumption of the American wool manufacturing industry.

REDUCTION OF COMPENSATORY DUTY.

Senator Dolliver announced in his speech that he proposed to offer an amendment reducing the compensatory duty by making the duty applicable not to the entire weight of the yarn or the cloth, but to the actual weight of the wool contents.

This expedient, often suggested and as regularly aban-

done after consideration, would compel the customs officers to make an analysis of practically every piece of goods imported. It would introduce a new delay and a new element of uncertainty into the enforcement of the customs laws of the United States. The present system of fixing the compensatory duty on the weight per pound has the important advantage of simplicity and certainty in customs administration, and the customs officials and the importers and merchants have become thoroughly accustomed to it. If the new expedient suggested by Mr. Dolliver were adopted, not only would delay and confusion be inevitable, but the domestic manufacturers, having to adjust their business to new and unknown conditions of competition, would be very seriously embarrassed in their industry. This could not fail to affect adversely the wool growers of the West, whose only market is to be found in American factories.

Senator Aldrich very effectively put into the Record in this connection the reply of Senator Dolliver's colleague, Senator Allison, in the tariff debates of 1897, when Democratic Senators pressed just the point that Mr. Dolliver is now urging, that these compensatory duties ought to be reduced:

The Senator proposes that this compensatory duty shall be upon the wool in a mixed fabric, and upon the weight of the wool. I should like to know by what method any expert or any appraiser can take a piece of goods with cotton warp, if you please, and know how much the wool in the fabric will weigh, and how much the cotton will weigh, unless he unravels it all. So it seems to me here is another indirect method whereby it is attempted to evade or avoid the very question in which our wool producers and woollen manufacturers are interested in common as respects these duties.

THE DRESS GOODS PROVISOS.

Senator Dolliver announced his purpose to strike out from the present law both of the provisos affecting dress goods fabrics.

The effect of these provisos is to assure the collection of an adequate compensatory duty on those dress goods weighing upwards of four ounces per yard which, as a matter of fact, are in the nature of cloths, and ought to be treated as cloths when imported. The specific duty in these paragraphs is not sufficient to constitute a compensatory duty on goods weighing upwards of four ounces per square yard.

Mr. Dolliver declared that the duty on these dress goods could be safely reduced because there was "only a small and precarious entry of such merchandise compared to its domestic production." The figures of the Bureau of Statistics for 1907, which Mr. Dolliver quoted just before, showed imports of \$9,526,752 in women's and children's dress goods, coat linings, etc., of a value between 13 and 23 cents per square yard. The statement submitted by the National Association of Wool Manufacturers to the Committee on Ways and Means, in the course of the revision of the present duties, showed that the total importations of dress goods, Italian cloths, linings, etc., whether all wool or cotton warp, for the ten years ending June 30, 1908, were \$77,117,421 — this being the foreign valuation and representing approximately an American valuation of upwards of \$15,000,000 a year. This statement added:

Here is real and aggressive competition with American industry, and popular prejudice, as in the case of cloths, assisting the foreign manufacturer. The importation of these dress goods shows a tendency to increase, for it advanced from \$31,488,575 in the first half of the decade, or the years from 1899 to 1903, inclusive, to \$45,628,846 in the second half of the decade, or the years from 1904 to 1908 inclusive. It is manifest, therefore, that to reduce the protective duty on these fabrics would be to inflict serious injury upon the American manufacturers and to give an increased share of the American market to the European producers with their cheaper materials and cheaper wages. The total production of dress goods composed wholly or in part of wool in the United States, according to the Federal census of 1905, was valued at \$73,173,154.

It should be added that the figures above given of the imports of dress goods do not represent the entire American purchase of these fabrics, for under the provisos considerable quantities of the heavier dress goods, weighing above four ounces per square yard, are undoubtedly recorded in the importations under the head of cloths — though there is no separate, exact statement of such importations.

The proviso at the end of the cotton warp dress goods paragraph (368) in the Dingley law, stipulating “that on all the foregoing, weighing over four ounces per square yard, the duty shall be the same as imposed by this schedule on cloths,” was omitted from the corresponding paragraph of the new tariff bill as reported by Chairman Payne to the House of Representatives. This omission aroused a vigorous remonstrance from the manufacturing industry. It was urged that as the compensatory duties under this paragraph were originally fixed for goods weighing not more than four ounces per square yard, the effect of the omission of the proviso would be completely to change the operation of the paragraph and the character of goods that would be imported under it. The weight of the goods would cease to be a factor in determining the different classifications of a paragraph, and the compensatory duties would be the same on all goods imported under the paragraph, irrespective of their weight. They would all be subject to a square yard duty of seven or eight cents.

A table was prepared by the manufacturing industry showing (1) the compensatory duty in cents under the proposed bill; (2) the compensatory duty under the existing law, and (3) the percentage of reduction in the compensatory duty made by the proposed new tariff bill — all goods running from five ounces to sixteen ounces per square yard.

Weight in Ounces Per Square Yard.	Proposed Compensatory Square Yard Duty According to Classification.	Compensatory Duty in Cents Under Existing Law.	Per Cent of Reduction from Present Law in Rate of New Bill on Compensatory.
5	7 to 8 cents.	13.75 cents.	41.8 to 49
6	" " " "	16.50 "	51.5 " 54.5
7	" " " "	19.25 "	58.5 " 63.6
8	" " " "	22 "	63.6 " 68.1
10	" " " "	27.5 "	70.9 " 74.3
12	" " " "	33 "	75.7 " 78.8
14	" " " "	38.5 "	79.2 " 81.8
16	" " " "	44 "	80.8 " 84.1

It was urged that these low compensatory duties on goods weighing over four ounces per square yard would not only kill the manufacture of such goods in this country, but would enable foreign makers of the goods to furnish them at such low prices that they would successfully compete with the classes of cloths and dress goods now dutiable under paragraphs 366 and 369 of the Dingley law. The direct injury, it was contended, would fall upon domestic manufacturers of cotton warp dress goods covered by paragraph 368, but all makers of other classes of dress goods and cloths would be indirectly injured. If dress goods and cloths of the same weight should bear different rates of duty, it would be practically impossible to classify them, for goods known as cloths are also known as dress goods. Goods of nearly all weights are equally adapted for women's and for men's wear.

Very much the same considerations would apply to the striking out of the proviso at the end of the other dress goods paragraph, except that on these goods the compensatory square yard duty in the present law is eleven cents instead of seven and eight cents. There is sound reason for the maintenance of these provisos; they contain nothing obscure or mysterious to those who have a practical knowledge of the industry, and the elimination of these provisos would have a destructive effect upon the wool manufacturing and wool growing interests of the United States.

FEW WOOLEN MILLS IN IOWA.

Senator Dolliver in his speech disavowed any purpose to reduce the protection which the farmers of his and other States receive from the tariff on wool, but he directed his whole attack upon the protection to the manufacturers. Here is a statement of the woolen mills of Iowa in contrast with those of other States :

WOOL MANUFACTURES OF THE UNITED STATES, THE NEW ENGLAND STATES,
AND THE STATE OF IOWA COMPARED.
Census Reports of 1890, 1900, and 1905.

Census.	Establishments.	Capital.	Wage Earners.	Wages Paid.	Materials Used.	Value of Products.
Year.	Number.	Dollars.	Number.	Dollars.	Dollars.	Dollars.
United States :						
1905	1,213	330,861,691	179,976	70,797,524	242,561,096	380,934,003
1900	1,414	310,179,749	159,108	57,933,817	181,159,127	296,990,484
1890	1,693	245,866,743	154,271	54,339,775	167,233,987	270,527,511
New England States :						
1905	482	215,695,277	98,263	40,549,544	141,412,768	218,108,733
1900	488	177,844,108	82,472	31,230,772	99,783,297	161,506,277
1890	518	134,627,725	77,747	28,190,948	86,887,689	139,302,134
Iowa :						
1905	10	713,225	246	89,231	364,568	572,936
1900	12	494,074	256	64,596	175,426	296,500
1890	14	694,000	340	104,390	505,503	695,218

THE WOOL PRODUCT OF IOWA.

Senator Dolliver declared that this scheme (the wool and woolen schedule) “has nearly destroyed the wool industry in Iowa.” Here are the facts in the case :

CENSUS REPORTS FOR 1840-1890, INCLUSIVE; ESTIMATES OF THE NATIONAL
ASSOCIATION OF WOOL MANUFACTURERS FOR LATER YEARS.

Year.	Pounds.	Year.	Pounds.
1840	23,039	1897	3,362,326
1850	373,898	1898	3,610,412
1860	660,858	1899	3,945,483
1870	2,967,043	1900	3,813,186
1880	2,971,975	1901	4,726,599
1890	2,649,652	1902	4,160,000
1891	2,712,150	1903	3,900,000
1892	3,531,444	1904	3,510,000
1893	5,537,301	1905	3,250,000
1894	5,247,480	1906	3,250,000
1895	4,219,691	1907	3,250,000
1896	3,559,517	1908	5,100,000

THE NEW SECTIONALISM.

Throughout his speech, Senator Dolliver insisted again and again that he was and is a protectionist. There can be no question that Mr. Dolliver means to be and is a protectionist — for Iowa — a protectionist, and a firm and high one, for the people of his State, and particularly for the farmers, who are the most numerous of his constituents. For Mr. Dolliver would cut down the protection accorded to the manufacturers, who are chiefly in the East, but would not reduce the present rate of duty on the wool that is their raw material—except, indeed, on the coarse carpet wools in which he argues that Iowa is not even remotely interested.

This attitude of Senator Dolliver is symptomatic of a new spirit of sectionalism which has been steadily developing among some, though fortunately not all, of the public men of certain States of the upper Mississippi Valley. It is the same spirit which long led many Senators and Representatives from that far inland region to fight every effort for the modernizing and increase of the navy, as was frankly said, because “no foreign government had any guns that could shoot from the Atlantic or Pacific to the Mississippi River!” It is the same spirit which has moved these same Middle Western public men to defeat thus far every effort of Republican Administrations and Republican Congresses to protect and develop an American mercantile marine. It is, of course, a narrow spirit, a selfish spirit, blind, sordid, and intolerable. It is a sectionalism which at the present moment characterizes far more conspicuously some public men of some Middle Western States than it does any public men of the Southern States that a generation ago were endeavoring to take themselves out of the Union.

It is not possible to justify, on any sound consideration of political economy, the reduction of protection to the manufacturer of finished goods, while maintaining at the same time the full tariff rate on the raw materials out of which these finished goods are fabricated. The Southern Democratic adversaries of the American protective system are at least consistent, in that while cutting down the duties on

manufactured goods they would correspondingly reduce the duties on materials — carrying out their reduction evenly and equitably all along the line. But no justification is possible for a Republican Senator, a nominal protectionist, like Mr. Dolliver, who would make his whole tariff reduction at the cost of the manufacturers and would leave intact the protection of the agriculturists, simply because these agriculturists have votes in his State and are in a position to work sharp and dangerous reprisals.

This attitude of Senator Dolliver has not always been the attitude of Iowa statesmanship. The vision of the venerable Senator Allison was broad enough to include Massachusetts and New York and Pennsylvania as a part of the American nation, and to recognize that a tariff that gave adequate protection to the manufacturer of the East was not only beneficial to the farmer of the West but was actually indispensable to his full prosperity. Mr. Dolliver apparently believes that if a woolen mill in New England is closed it makes no difference to the man who raises wool in Iowa or wheat in Minnesota or corn in Kansas — that the farmer instead of selling his wool or grain in New England in such a case will merely sell it in Europe to the foreigners who make the cloth that lower duties admit to the displacing of the New England fabrics.

It does not seem to have occurred to Senator Dolliver — but we dare say it will occur to a good many shrewd men of his State — that it is quite possible that that foreign mill will buy its wool from Australia and South Africa, and that its operatives will be fed with grain from Argentina, Russia, and India and not from the United States.

THE REQUISITES OF THE TEXTILE INDUSTRY.

AN ADDRESS DELIVERED BY MR. WILLIAM WHITMAN,
PRESIDENT OF THE NATIONAL ASSOCIATION OF WOOL
MANUFACTURERS, BEFORE THE ALUMNI ASSOCIATION
OF THE PHILADELPHIA TEXTILE SCHOOL AT THE
HOTEL MAJESTIC JUNE 4, 1909.

It has been my privilege in previous years to be invited to address you, but always, to my great regret, imperative engagements have prevented me from doing so.

This year, though the demands upon my time have been very great, I have yielded to the cordial persuasion of your officers and a strong desire to meet again so many Philadelphia friends with whom I have had such long and pleasant business and personal relations.

Furthermore, it is a great pleasure as well as an honor to appear before the alumni of a representative textile school, especially the Philadelphia Textile School — the pioneer school in textile education in this country. I wish to congratulate you, at the very outset, for what you have done — you have gained a splendid reputation for the school, for its broad, thorough, and practical training. You have been instrumental in making notable improvements in the textile industry. You have demonstrated beyond a doubt the practical need of such schools, by revealing the efficiency of their work. You have done all these things in the face of skepticism and opposition, and therefore you should be doubly congratulated.

The seeds sown through the wise forethought and nourished by the courageous and self-sacrificing devotion of the officers of your school since its establishment in 1885 have produced good fruit. Our country has awakened to the need of special technical training. It may well be a lasting pleasure to these gentlemen to know how much has been accomplished through their efforts.

It strikes a note of personal interest to me that Mr. France, as he informed me a few days ago, had spent two

years prior to coming to Philadelphia in the weaving department of one of the corporations of which I am President at the present time.

It is natural that the Alumni Association of a school founded by such men should have for one of its objects, as stated by your constitution, the encouragement of "a further interest and improvement in all matters connected with the textile industry."

And I trust that the subject upon which I propose to address you this evening, "The Requisites of the Textile Industry of the United States," may be in accord with the purposes of your Association and also of interest.

The great breadth and complexity of the subject and what I have said as to the demands upon my time must serve as my excuse for limiting myself to some few salient needs of our industry which have been suggested to me from time to time, during my long experience in the business.

It would be impossible, of course, in a brief address, to do more than merely to suggest some of the important problems which confront us.

A REAL NATIONAL INDUSTRY.

The textile industry of the United States, so generally identified with the Eastern States in the earlier periods, has long since ceased to be a matter of purely local interest. It has spread out over the whole country, and has become a national industry affecting in a close and intimate manner not only the individuals actually engaged in textile manufacture, but our entire people, from the cotton producer and the wool grower through to the ultimate universal user of the finished product. Every man, woman, and child in this country must wear the products of our industry, made either in this country or abroad.

In my remarks this evening I shall assume that the maintenance, diversification and further development of the manufacturing industries of our country are essential to the maintenance and growth of a full, well-rounded and self-

sustaining national life, and to the highest material welfare of our people; also that the interests of textile and all other industries are mutually interdependent, and the prosperity of one a certain aid to the prosperity of the other. I believe the truth of these assumptions to be so generally recognized that I shall offer no plea in their support, at this time.

Assuming, therefore, that the advance in textile manufacture is essential and desirable, what are some of its chief needs to-day? It seems to me they are as follows:

First: The continuance of the policy of adequate protection, so that the wages paid and the return on capital in the industry shall be commensurate with the wages and return on capital in other industries in this country.

Second: The abrogation of the so-called German tariff agreement, and the decision that no similar agreements shall hereafter be made. This is incidental to the policy of protection.

Third: The cultivation of greater artistic perception and skill in designing and the acquisition of greater mechanical and chemical knowledge and skill in manufacture, dyeing, and finishing.

Fourth: A greater control by the manufacturer over the distribution of his product and greater freedom from the dominating influence of the agencies of distribution.

Fifth: Encouragement by employers and all persons in positions of control over the workers in our industry of an improvement in the environment of such workers, both in their homes and in their work. This should be done in addition to maintaining their wages in so far as possible on a parity with those paid in other industries. We must make the industry attractive and beneficial to the worker, and endeavor to bring about a clearer understanding of the singleness and mutuality of interest of employees and employers, in the success and prosperity of each other.

I shall take up first the question of protection because it is in my opinion of fundamental importance at this time, and because the discussions now going on in Congress and the newspapers make its consideration opportune.

It hardly seems open to question that the economic policy of this country in its relation to foreign countries should be governed by the interests of its own productive industries. These industries give to the country its wealth, to its labor remunerative wages, and to its people the comforts of life. Commercial and general prosperity must inevitably accompany prosperous agriculture, mining and manufacture such as we have had in this country in recent years under the policy of protection.

It is under this policy that the phenomenal material growth of our country has been achieved and that the country has developed from one devoted almost entirely to agriculture and commerce, dependent upon other nations for its manufactures, to a self-sustaining, self-reliant giant, recognized as a powerful factor in the world's moral and material progress. It is almost inconceivable that this could have resulted in anything like the same length of time under any other policy.

It cannot be justly charged that our textile industries are over-protected. Our operatives are not paid excessive wages, capital does not receive excessive profits, and there is no indication of a monopoly. Neither are the duties so high as to prevent the increase of importations.

THE VITAL FACTOR OF PROTECTION.

In considering the question of protection let us not be misled by the idea that the interests of the protected industries are in any sense antagonistic to the interests of the so-called unprotected industries. Almost every one of the so-called unprotected industries is, as a matter of fact, an absolutely protected industry, protected, not by tariffs to be sure, but absolutely protected against competition from abroad by natural conditions. For instance, take the carpenter, the mason, the plumber, the printer, the salesman, the bookkeeper, and the bank clerk: They are all absolutely protected geographically. Their work or craft has to be carried on in this country, and the finished product of their

skill and energy cannot be imported from abroad, while our contract labor and immigration laws and the rigid precautions of trades unions guard them against an excessive influx of cheap wage workers from Europe and Asia to compete with them, man against man. The interests of all of our industries are in a large measure mutually interdependent. In our industry, therefore, what we should ask and insist upon is a rate of protection which will maintain wages and the rate of return on capital on a parity with the wages and the rate of return in other industries. We should not only maintain such parity of wages in order to enable our employees to maintain their proper standard of living, but we should use our efforts further to insure such standard by improving the physical and social environment of such employees in their homes, as well as in their work, and in their meetings elsewhere.

We must do these things within reason and intelligently, for if we fail our capital and labor will inevitably drift into other channels of industry. Certainly, the people at large cannot wish to have the employees in any one industry receive less relatively than the share of employees in the general average of industries.

With these points in mind, let me call to your attention more specifically some of the reasons why our industry should be protected.

The best information available indicates, and it is not disputed, that textile manufacturers in Europe have cheaper first cost of machinery and buildings, cheaper money, cheaper raw material, cheaper labor, cheaper power, and cheaper supplies. As nearly as I have been able to ascertain, wages in England are about one-half, and in Germany about one-third of those in this country. Of recent origin, but of rapidly increasing importance, is the rise of Japan as a manufacturing and exporting nation. The Japanese show a peculiar aptitude for the manufacture of textiles. The marked decrease of Japan's imports of textile and the marked increase of her imports of raw materials, coupled with a corresponding increase of exports of textile manufactures,

bring this out with great and menacing clearness. The discrepancy in wage scale between Japan and the United States is even greater than that between the United States and Europe.

Yet, in spite of these enormous disadvantages, the records of the Bureau of Labor of the Department of Commerce and Labor show that wages have largely increased in this country in recent years; for instance, in the wool industry increasing nearly one-third between the years 1897 and 1907. To increase the disadvantage still more, the whole tendency of law in this country is toward a restriction in the hours of employment, which must inevitably result in an increased cost of production, and a corresponding decrease in the purchasing power of money wages, unless offset by improved and more economical methods of manufacturing and distributing our products. The Legislature of Massachusetts by an act to take effect on the first day of January, 1910, has reduced the maximum hours of labor for women and children in manufacturing and mechanical establishments from fifty-eight hours per week to fifty-six, and this example will doubtless be followed by the law makers of other manufacturing States. Such restrictions increase the cost of production and reduce the earning power of capital by reducing the time in which great and expensive plants of machinery may be actively and profitably employed.

If our industry is to progress in the future as in the past and we are not to yield the field in all of the higher grades of manufacture to our foreign competitors, the policy of protection must be continued.

A PROUD RECORD OF ACHIEVEMENT.

Our industry must go forward or decay. As in all other human affairs, this is subject to an inexorable working of natural law that without progress there is only stagnation, followed by inevitable decline. In spite of the marvelous progress in the industry under the policy of protection, it is nevertheless as true to-day as when the profound insight of

the founders of our Government into the needs of the future led them to institute that policy, that it is only through the utmost vigilance and activity in the acquisition of skill and knowledge in the arts of manufacture, and through the development of efficient and economical methods of distribution, that our industry can keep up effective competition against the highly skilled but cheap labor of Europe. England and France have always held a high position in textile manufacture, and Germany, with characteristic patience and persistence in the acquisition of knowledge and skill, has, through the aid of her technical schools, made tremendous advances. European countries, recognizing that their industries must advance in order to live, have wisely established and maintained trade schools for many years. The movement started in this country by the founding of your schools must not be allowed to lag.

In any discussion of the principles of protection we must be prepared to meet the question — has our industry justified the protection which it has received? This question I think we can, with pride and confidence, answer in the affirmative. A brief resumé of what has been done in the different branches of the industry in recent years will confirm this.

In the wool manufacturing industry there has been an increase from 1900 to 1905 in capital invested in round numbers of from \$310,000,000 to \$370,000,000; in number of employees from 163,000 to 185,000; in cost of materials from \$181,000,000 to \$242,000,000, and in value of product from \$296,000,000 to \$380,000,000. And this does not give an exact idea of its importance, for these figures do not include the great wool growing industry on the one hand or the manufacture of clothing on the other. The importance of this industry is shown by the fact that the people of our country not only need and use the entire product of domestic wool, but also require and import a large additional supply in the form of both raw material and manufactured goods.

The United States stands first among manufacturing nations in the amount of wool consumed, but the United Kingdom and France produce larger quantities of the finer

goods, so that in the total value of the wool manufacture the United States stands in all probability third, or close to Germany.

Likewise the greatest of textile industries, the manufacture of cotton, has grown in the United States until we are the chief competitor of Great Britain for the trade of the world. Since in 1797 Alexander Hamilton stated in his report on manufactures that there was then but one cotton factory in operation in the United States, and that one with only 72 spindles, the growth has gone on until in 1905 there were in the Southern States alone 9,205,000 spindles, and there were in actual operation in cotton mills throughout the United States 24,073,000 spindles. The next census will undoubtedly show more than 30,000,000 spindles in operation.

Our great volume of production of textile fabrics has beyond question an important effect upon the world's range of prices. If the American textile industry were seriously injured and its output reduced by tariff changes, the prices of foreign competing manufacturers would rise all over the world in accordance with the economic law of supply and demand.

AMERICA'S PART IN COMPETITION.

This is a matter of great importance and should be thoroughly understood. Should our industries be seriously crippled and their product diminished by a reduction of the tariff, prices might be temporarily lessened owing to the reduction of the duty, but it would inevitably follow that the reduction in the production of textile fabrics in this country would greatly enhance the demand for foreign fabrics, thereby again raising their price. The important part which the immense production of manufactured goods in this country plays in regulating within reasonable limits prices of foreign competing products should not be lost sight of.

According to the census of textile manufactures for the year 1905, there were more than 1200 wool manufacturing establishments in this country, of which 333 were operated

by individuals, 311 by firms and partnerships and 567 by corporations. This clearly indicates a condition of effective competition in this branch of our industry, which must inevitably prevent extortionate prices to the consumer. The same effective competition exists in the cotton industry.

In any discussion of the tariff we early learn that protection to textile manufactures, more particularly the wool manufacture, has been the subject of the most violent attacks throughout the history of tariff legislation by theoretical economists and opponents of the policy of protection. One reason for such attacks is undoubtedly the fact that, owing to conditions peculiar to them, the textile industries need relatively higher duties in order to have adequate protection than do most other manufacturing industries. This is partly due to the undisputed fact that this country has no advantage over other countries in textile machinery, and that man for man we have no advantage in efficiency and producing capacity among our operatives. There is a general understanding among our people that the United States has an advantage over other countries in machine-made products, an idea which is undoubtedly true in some of our industries, but is certainly not true of the textile industry, and should be corrected.

The so-called German Tariff Agreement negotiated by the Berlin Commission has aroused an earnest remonstrance from many textile manufacturers of the United States. It has seriously injured especially the hosiery industry of America, and the policy initiated by the agreement menaces every branch of our textile manufacturing. Open customs hearings, conceded in some cases by the agreement against the judgment of the Board of General Appraisers, have had the practical effect of barring from these hearings witnesses deemed essential by the Government. While these open hearings have been commended by German exporting interests as distinctly beneficial to German trade and industries, the acceptance of certificates of value of German Chambers of Commerce under the terms of this agreement

has had the practical effect of encouraging undervaluations of imported merchandise.

NEED OF INCREASED SKILL.

Another matter of great moment to the future of our industry is the increase of knowledge and skill in all its branches.

I had the pleasure a few days ago of receiving a letter from your director, Mr. France, telling briefly of his own personal experience and training and of the way in which the Philadelphia Textile School was launched by Mr. Search. Established at a time when there was no similar school in this country, when all designers of note were of foreign birth and not inclined to impart their knowledge to others, when only a few of our most progressive citizens were engaged in the textile industry, your school, begun as an experiment, long ago demonstrated its success. Mr. Search conceived the idea that something would have to be done in the line of educating our own people into the mysteries of the art if we were to become at all independent of our foreign friends. From such a beginning, with inadequate funds and against considerable scepticism as to the practicability of such a school, your devoted officers and teachers have developed a school whose teaching covers practically the whole field of textile manufacture from the running of machines to the highest form of the designing and coloring art. It is to men trained in such schools that we must look to keep our industry abreast with the best efforts of our foreign competitors. It is as true to-day as at the time of which Mr. France wrote, that foreign manufacturers jealously guard their secrets and will not permit our manufacturers to have access to their factories. We must, therefore, come to rely more and more upon our own resources, and it is upon the graduates of such schools as yours that the brunt of the fight for progress and development in the higher lines of our industry must come. Our foreign competitors are still straining every nerve by the maintenance of technical schools and otherwise to wrest from our manufacturers the

home market for their goods. In addition to the great disadvantages which I have before pointed out, including greater cheapness in all phases of the work, we have to combat the great artistic skill and experience of foreign workmen. We cannot hope to succeed permanently except by meeting them with equal or greater skill, and this should be your aim.

BETTER AND CHEAPER DISTRIBUTION.

Another of the chief requisites of our industry at the present day is a closer relation between the departments of manufacture and distribution of the finished product. There enters into the cost of American fabrics before they are sold the cost of distribution, which is often burdensome and excessive. The public, if it is displeased with the price of a given commodity and regards it as unreasonably high, is wont to complain of the manufacturer — and the public is habitually encouraged to do this by partisans of free trade. Yet the manufacturer, after all, has only imperfect control over the original cost of production, and no control at all over the cost of distribution. The manufacturer often receives less than thirty cents for an article which is sold finally at retail for fifty cents, the difference of twenty cents covering the cost of distribution. Like domestic transportation, commercial distribution is absolutely protected by the fact that it is a matter which from its inherent character is not subject to foreign competition.

In the matter of clothing, the subordinate part which the manufacturer plays in governing the retail price is brought out in a still more marked manner. For example, of the cash price paid by the ordinary man for his suit of clothes it has been estimated that less than 35 per cent goes to the manufacturers of the fabrics used in those clothes. On grades of clothing better than the average, the return to the manufacturer of the cloth is still less. In spite of the fact that the difference between the net return of the manufacturer and the retail price is great, this difference seems to have been steadily growing greater of late years.

Ought this to be so? This opens up a fruitful field for investigation and study. Any economy in distribution must necessarily result in cheaper clothing for the consumer. It may result in a larger return to labor and capital engaged in our industry. The problem of economic distribution I regard as one of the most important problems for us and for the people at large, the great body of consumers, to solve.

EMPLOYER AND EMPLOYEE.

There is another phase of modern industrial life affecting not only ours but all other branches of manufacturing to which I wish to call your attention. This is the relation between employer and employee. There can be no question but that when properly understood any seeming antagonism between the two can be due only to misunderstanding of the true facts, or to a deliberate disregard of the facts by persons actuated solely by motives injurious both to employer and employee. Anything which makes for the prosperity of employers in our industry must inevitably result in higher wages and better conditions for the employees. The success of the employer inevitably means success to the employee. While this subject is one of very great difficulty and it is almost impossible to make definite suggestions, I cannot help urging upon you, as representing the trained intelligence in the industry, the desirability of constantly endeavoring to create a better understanding of this mutuality of interest. I can suggest no better means of bringing about such better understanding than to increase the comfort and happiness of employees by encouraging, both directly and indirectly, more healthful and pleasant surroundings for them at their work, in their homes and in the enjoyment of their recreation. Such improved conditions and better understanding must inevitably result in that hearty coöperation between employer and employee which is so essential to the further progress and success of our industry. By the knowledge of greater comforts and conveniences, and by the cultivation of an appreciation of more wholesome and beautiful surroundings, the ambition of the working man and his children should be

stimulated to a desire for better things. Under such influences, the children of the rising and coming generations cannot but grow up more ambitious to improve their condition in the industry in which they work, and to be better fitted by availing themselves of the enhanced opportunities offered by schools such as yours. The results thus attained cannot but result in great strides in the improvement of our industry, and in great benefit to the community.

In closing, let me call to your attention as forcibly as I may the fact that, in order to meet the keen and remorseless competition of the cheaper labor and cheaper materials of Europe, based upon their lower standards of living, the exercise of the highest intelligence and skill will be necessary; that from top to bottom our industry is a structure of mutually dependent and coördinated functions in which artistic conception, mechanical skill, efficient superintendence, and wise but progressive management, all have their essential part; and that in just so far as your own and similar schools aid in fitting men according to their various capabilities and opportunities the better to perform those various functions in harmony and sympathy with one another, in so far will you bring about that progressive development and greater economy so necessary to the preservation of our industry against the assaults of foreign competition. And let me again urge upon you the absolute need of such an adequate measure of protection as shall permit the payment of a scale of wages necessary to the maintenance and improvement of the standard and manner of living of American workmen, and shall give enough return to both labor and capital to insure their continued employment in the industry.

FOREIGN VIEWS OF TARIFF REVISION.

PEEVISH AND IMPRUDENT PROOFS OF EUROPEAN
DISAPPOINTMENT.

TARIFF revision in the United States is being watched with the liveliest interest across the Atlantic Ocean, and the bright anticipations of great benefit to European trade and industry with which the process opened last December are now giving away to unmistakable disgust, anger, and discomfiture. Forty years of fast steamships and cable communication have failed to give our Transatlantic competitors an adequate knowledge of actual conditions in the United States. After all these years they are still accepting as infallible oracles of American public opinion the editorial notions of a few newspapers that represent nothing but the frankly selfish interests of a few importing houses and some retail shopkeepers, who want free trade because they can bamboozle a steadily decreasing proportion of their customers into paying a higher price for an article alleged to be procured from "abroad" than for a domestic article of equal or superior quality. This particular species of gullibility is not peculiar to the United States. It is the same superstition that has brought about well nigh the extinction of the English silk manufacture, and, according to a memorial just presented to Premier Asquith, is threatening a similar doom to the millinery and dressmaking establishments of London.

Because some newspapers in this country, sustained by and directed in the interest of those whose business it is to displace American by foreign goods, proclaimed that tariff revision meant quite another thing than revision — reduction all along the line, which our lawmakers had never dreamed of and political platforms have never promised — a great deal of comical wailing and gnashing of teeth has been going on, since the new tariff bill was introduced, in the citadels of European manufacturing. And the very funniest thing in this whole demonstration is the hysterical protest of sym-

pathy with the "oppressed" and "robbed" American consumers by benevolent gentlemen in the United Kingdom, France, and Germany, who were preparing to mark up their export prices to those dear consumers by about 90 per cent of the amount of those anticipated reductions of the American customs duties over which so many large and capable European mouths were watering.

We are exceedingly sorry to observe that the most raucous howls of wrath and indignation arise from those ancient seats of the English textile manufacture, Batley, Dewsbury and Bradford. Some measure of allowance is fairly due to the credulous individual who discovers that he has been buncoed—some allowance, at least, in the cruel moment of the discovery. But really, those amiable Yorkshire men who took at their face value the editorial assurances of the "New York Post" and the "Journal of Commerce," and were already counting up the rich spoils of the American market the key of which was obligingly to be handed to them by American lawmakers—those amiable Yorkshire men forget that dignity and restraint amid misfortune that were once supposed to characterize their race, when they shout in the columns of the "Yorkshire Observer" against the "flagrant outrage" of the American tariff in actually preferring the interests of American manufacturers and operatives to those of foreigners.

"Enormous graft," "notorious thievery," "frightful extortion" of the "Yankee politicians"—these are other amenities which the "Yorkshire Observer" quotes, by way of demonstrating the beautiful and enduring significance of the famous sentiment that "blood is thicker than water." After all this, we are of course prepared for the further urbane declaration that the officers and members of the National Association of Wool Manufacturers are a band of bold and unblushing "Ananiases." As proof of this, the "Observer" exultantly quotes two unimpeachable American witnesses, a Mr. Silberberg, described as a clothing manufacturer of Cincinnati, and Mr. Andrew Solus (?), a wool dealer of Boston.

Inevitably, there is coupled with these characteristic York-

shire compliments to American industry the familiar declaration, to which Batley and Dewsbury always heartily subscribe, that the American people will never know what it is to wear real woolen clothes until they shut up their own "protected" mills and buy their apparel exclusively from Europe, or to be exact, exclusively from Yorkshire. Unfortunately, the same mail which brings this ancient Yorkshire exhortation brings also some expert testimony from a British possession where the economic policy so fervently commended to Americans has actually been tried. Time was when the Canadian government protected the wool manufacturing industry, but adequate protection was given up some years ago in favor of so-called "Imperial preference," under which the once prosperous Canadian woolen industry is suffering extingishment. Now the Canadian people have easy access to the incomparable advantage of European and particularly British woolen goods. Has this policy given the Canadians either cheaper or better clothing? A good expert authority, the "Canadian Textile Journal," declares in its issue for May, 1909:

When the preferential tariff was put into force the Government was actuated by the desire, no doubt sincere enough, to increase the mutual trade between Canada and Great Britain and at the same time to give the poor man cheaper clothing. As a matter of fact, the poor man now gets poorer clothing at a price higher by 15 to 30 per cent than when the present tariff was promulgated. Any one who remembers the substantial fabrics of former days, when a suit from Canadian-made cloth would last three or four years, while now the cheap suit made of imported shoddy will wear out in as many months, must know that the consumer is not getting the value promised. The "stability" the Finance Minister is achieving is the stability of the shoddy industry of Yorkshire, and not the stability of either the wool growers or the woolen manufacturers of his own country. His motives have been right, but his methods wrong.

That is what "tariff revision" downward has done for the clothing of the Canadian people — and the enrichment of "the shoddy industry of Yorkshire." Of course, these philanthropic Yorkshire manufacturers, who have made such use of

their opportunity in Canada, can see only "graft," "thievery," and "extortion" in the protective tariff that bars them out from the far greater and richer market of the United States. But in all seriousness we would suggest to the "Yorkshire Observer" and its kind that to rage openly and vociferously at the American system of protection, to denounce Mr. Taft, Mr. Aldrich, and Mr. Payne as mere "Yankee politicians," and to stigmatize American manufacturers as "Ananiases," is as conspicuous a violation of common, ordinary prudence as it is of common civility and truthfulness. When the late Hon. William L. Wilson, flushed with the passage of the low tariff bill that bears his name, went, in 1894, to England and at an ill-starred banquet given in his honor received the plaudits of grateful and exultant British manufacturers and merchants, this Belshazzar's feast, marking the apparent triumph, really presaged the utter defeat and repudiation of the tariff reform policy in the next month's Congressional elections, which swept the Democratic party out of existence in every State of the industrial North. Just as that demonstration of the enthusiastic favor of our industrial rivals for Mr. Wilson's handiwork helped then to bring about its downfall, so now every indiscreet and ill-tempered utterance from Yorkshire against the American tariff system is accepted here in America as a tribute to the strength, wisdom and efficiency of protective legislation. Foreign manufacturers who hate and fear our economic policy will do well to keep their emotions strictly to themselves. Americans are quite as keen as Englishmen to follow the old maxim, sound in both trade and war — "Find out what your enemy wants you to do — and then don't do it!"

WINTHROP L. MARVIN.

PROTEST AGAINST THE DOLLIVER WOOL DUTIES.

IN view of the statement in Washington that Senator Dolliver of Iowa intended to offer a substitute for the Dingley duties on wool completely changing the system as it has stood for many years, the National Association of Wool Manufacturers addressed the following argument to the Senate Committee on Finance:

BOSTON, MASSACHUSETTS, May 29, 1909.

HON. NELSON W. ALDRICH, *Chairman,*

*Committee on Finance, United States Senate, Washington,
D.C.*

DEAR SIR: We understand that when the wool and woolen schedule is reached by the Senate in the consideration of the tariff bill, an amendment is to be offered by a Western Senator making the rates of duty on raw wool dependent on the shrinkage of the wool, as follows:

SHRINKAGE: <i>Per Cent.</i>	DUTY: <i>Cents.</i>
65	11
55	13
45	16
35	20
25	24
15	27
5	33

We wish to submit our earnest remonstrance against such a proposed amendment. This amendment at once raises the question how the actual shrinkage of various lots of wool is to be determined. Any one who is at all familiar with the wool business will know how difficult it is to determine exactly what the shrinkage of any given lot will be while it is in the grease, and it is equally difficult to determine with precision what the actual shrinkage has been after the wool has been scoured, for so much depends upon the varying

percentages of moisture left in wool by different methods of scouring and drying.

If the idea is to have examiners at each port, would these examiners have absolute authority to settle what the shrinkages were? or would there be an appeal from their views? If the Government had testing plants, would the importer have to take results of these tests as final? Furthermore, if the Government intended to test samples, it would not be fair to take small hand samples and from the results of these small samples base the shrinkage on a large lot. If 25 per cent of a lot was to be tested, it would mean the establishment of enormous scouring plants.

These points are mentioned to show the difficulties that would be in the way in the practical application of the assessment of duties based on the shrinkages of wool. There would be endless disputes and troubles, and the way opened for a great injustice to all parties interested.

The following will illustrate the way the proposed schedule would work:

Let us consider that an importation has been made of 100,000 pounds of greasy wool, and the facts would be as follows:

Duty under present law	\$11,000
If shrinkage was 45 per cent, under the schedule the duty would be	16,000
If shrinkage was 44 per cent, under the schedule the duty would be.....	20,000

In other words, if the importer claimed that the wool would shrink 45 per cent and bought it on that belief, and the Government inspector assessed a duty on the basis of 44 per cent, it would make a difference in the duties paid of \$4000 or 25 per cent more.

In the same way, if wool was brought in to one port instead of another, the inspector at the different ports would readily vary 1 per cent in the judgment of their shrinkage.

Let us assume another case:

Duty under present law.....	\$11,000
If shrinkage was 35 per cent, under the schedule the duty would be.....	20,000
If shrinkage was 34 per cent, under the schedule the duty would be.....	24,000

In this instance a variation of 1 per cent in shrinkage would make a difference of \$4000 in the amount of duty levied, or 20 per cent more on account of the difference of 1 per cent.

The above statements show the absurdity and the injustice that would follow if the proposed schedule were made a law.

Even if the proposed duties were just and fair (which they are not), it would be an utter impossibility to administer such a law in a proper way.

It will be noted that under the proposed schedule, Table A, the lowest duty which would be assessed would be in the case of wool shrinking 55 per cent, where the specific duty would be 13 cents or 28.9 cents on the clean scoured basis. With wool shrinking 65 per cent (which are about the heaviest wools imported) under the present law the duty on the clean scoured basis would be 31.4 cents, and the lighter the shrinkage, the lower the duty, under the present law.

If, for instance, we take the wools shrinking 25 per cent, under the present law the duty on the clean pound would be 14.7 cents, while under the proposed schedule it would be 32 cents per pound.

If we turn to Table B, under the present law the lowest rate of duty, figured on an ad valorem basis, is 32.93 per cent, and the maximum 63.95 per cent. Under the proposed schedule, the lowest rate equivalent to ad valorem rate of duty would be 47.90 per cent, and the highest 129.53 per cent. From this it will be seen that under the present law, the greatest difference, even on an ad valorem basis, is, in round numbers, 30 per cent, while under the proposed schedule, there would be a difference of over 90 per cent between the highest and lowest rates imposed.

TABLE A.

Table showing duties under present law and under proposed law, on the GREASE pound and on the CLEAN pound of WOOL.

Shrinkage.	Yield.	PROPOSED SCHEDULE.		PRESENT LAW.	
		Duty on Grease Pound.	Duty on Clean Pound.	Duty on Clean Pound.	Duty on Grease Pound.
65	35	11	31.43	31.43	11
55	45	13	28.88	24.44	11
50	50	16	32.00	22.00	11
45	55	16	29.09	20.00	11
35	65	20	30.77	16.92	11
25	75	24	32.00	14.66	11
15	85	27	31.76	12.94	11
5	95	33	34.73	11.58	11

TABLE B.

Table showing yields, shrinkages, foreign costs, and comparison between duties under proposed schedule and present law.

Kind of Wool.	Yield.	Shrinkage.	March, 1909, Foreign Costs.		Duty on Grease Pound.		Equiv. Ad Val. Rate.	
					Proposed Rate.	Present Law.	Proposed Rate.	Present Law.
Cape	35	65	<i>D.</i> 8½	<i>C.</i> 17.2	11	11	63.95	63.95
Aust. Merino	40	60	10½	21.3	13	11	61.03	51.64
" "	45	55	12	24.3	13	11	53.5	45.27
" "	50	50	14	28.4	16	11	56.34	38.73
" "	55	45	16½	33.4	16	11	47.90	32.93
Crossbred	55	45	12	24.3	16	11	65.84	45.27
" "	65	35	11	22.3	20	11	89.68	49.32
" "	70	30	10	20.3	24	11	118.22	54.13
" "	75	25	9	18.2	24	11	131.87	60.44
So. Am. bred	60	40	11½	23.3	20	11	85.83	47.21
" " "	65	35	10½	21.3	20	11	93.89	51.17
" " "	70	30	9½	19.2	24	11	125.00	57.29
" " "	75	25	8½	17.2	24	11	139.53	63.95
English wools . . .	75	25	12	24.3	24	11	98.76	45.27
" " "	80	20	10½	21.3	27	11	126.76	51.12

SUMMARY.

First. The proposed schedule would make the rate of duty depend upon the shrinkage of wool.

Second. It is extremely difficult to tell exactly, either before or after washing, the per cent of shrinkage, and

yet, upon this determination the duty depends, and on nothing else.

Third. At the dividing lines of percentages, a change in rate is made so that a variation of 1 per cent in shrinkage may increase the amount of duty by 25 per cent.

Fourth. In other words, the importer will never know till the duty has been actually assessed, what it will be, and the arbitrary decision of the Custom House expert may increase the duty 25 per cent more than he has figured it in his costs. Business could not be carried on under such provisions.

Fifth. The lowest rate in the proposed schedule is the highest rate in the present law as assessed on greasy wool.

Sixth. When figured as equivalent ad valorem duties on the foreign values, the lowest rate of the proposed schedule is 51 per cent higher, and in one instance 148 per cent higher than the rate of the present law.

Seventh. The proposed schedule would give ad valorem equivalents from the lowest rate of 49.90 per cent to 139.53 per cent, while the present law runs from 32.93 per cent to 63.95 per cent. In other words, the lowest rate is materially lower and the highest rate less than one-half that in the proposed schedule.

Sincerely yours,

WINTHROP L. MARVIN,
Secretary.

THE TARIFF IN THE SENATE.

THE INSURGENT MOVEMENT AGAINST PROTECTION AND THE
STRANGE ALLIANCE WITH IT OF THE NEW CARDED
WOOLEN ORGANIZATION.

For the first time in the history of this country, the long tariff discussion in the Senate over the Aldrich bill has disclosed an opposition organized and led, not by Democrats but by Republicans. The swift and formidable growth of cotton and iron manufacturing in the Southern States has either driven out of public life or frightened into silence the ancient politicians of that section who, during the two administrations of President Cleveland, were the ablest and most aggressive champions of free trade. From the time-honored dogma of "tariff for revenue only," the present-day Democratic notion has been transformed into "tariff for revenue," with the word "only" significantly omitted. That is, the Southern Democratic Senators, constrained by the changing interests and sentiments of their people, have abandoned their opposition to protection as a principle and have become quasi or "incidental" protectionists.

This is a change of front as complete as that which is now going on in England, and it would have resulted in the passage of the Aldrich bill by the Senate after only a brief and perfunctory debate, had it not been for the sudden appearance of a new and particularly vindictive opposition, in the form of an "insurgent" faction of from eight to eleven Republican Senators led by Mr. La Follette of Wisconsin, with Mr. Dolliver of Iowa as his chief lieutenant, or accomplice. For some weeks the singular spectacle has been presented at Washington, of Democratic Senators sitting as idle and silent spectators while the new protective tariff legislation is being violently assailed by a small but loud and persistent group of Republicans from a wedge of agricultural States in the upper part of the Mississippi Valley — States for the most part where greenbackism, populism, and free silverism have

all in turn run rampant in years past, States which only with constant and increasing difficulty have been held true to Republican allegiance.

A NEW SECTIONAL ALIGNMENT.

It is a singular phenomenon that just at a time when the most progressive and prosperous States of the long-solid South are unmistakably verging towards the Republican party, the party of protection, some of the agricultural States of the Middle West should be slipping away. To the minds of many observers, the "insurgent" campaign in the Senate portends a new and wide-reaching change of political alignment, with the older and populous States of the Eastern part of the country, the "original thirteen," both North and South, and their immediate neighbors as far as the edge of the prairies united with the newer States of the Rocky Mountains and the Pacific Coast, against the inland Southern States and the States of the corn belt and the wheat belt, where industries are still relatively undiversified, and where manufacturing has as yet gained only a small and precarious foothold.

Be this as it may, the manifest cleaving away of a faction of Western Republicans in the Senate on the tariff issue is a movement to be regretted on all accounts, though the immediate practical consequences are unimportant. Protection is so sound and proved a policy, so splendidly justified in our own National experience, and so overwhelmingly sustained by the opinions and the practice of almost the entire present world, that the defection of these few Western Senators seems to be a deliberate and unaccountable sinning against the light. It is true that Mr. Dolliver and even Mr. La Follette, in their most vehement attacks upon the protective duties, have insisted that they were still protectionists in fact, although their faith had undergone some chilling modifications, but such sophistical pleas will deceive nobody. They are on a par with the protestations of men like Senator Vest and Professor Wilson a dozen years ago, that they were not free

traders and that they really sought to conserve and not to destroy American interests.

The plain, hard fact is that Mr. La Follette, Mr. Dolliver, and their associates have been engaged for many weeks in a deliberate, continuous assault upon the regular Republican leadership in the Senate, and upon, not two or three schedules, but every schedule of the new tariff as framed by the Republicans of the Committee on Finance and upheld by five-sixths of the Republican Senators. It may tickle the vanity or satisfy the humor of a handful of insurgents, who have deserted the camp with their arms in their hands and are firing on the flag, to proclaim that they are more loyal to the standard they are shooting at than are their comrades who have remained around it and are defending it, but the deserters in such a case can have no serious idea that anybody will actually believe them.

THE "INSURGENT" ATTACK ON PROTECTION.

The La Follette-Dolliver raid is an attack on the protective policy, the whole protective system. It has been applauded and promoted at every step, in every possible way, by interests which are hostile to the protective duties, hostile to American manufacturing, and to American prosperity. Senator Aldrich pointed unerringly to the real inspiration of much of this "insurgent" movement, when he sharply characterized the long harangue of Senator Dolliver against the cotton schedule as an "importers' brief." This is exactly what it was, and what it was known to be, by all men who have been familiar with the course of events throughout the past winter and spring at Washington.

Ever since the opening of the tariff hearings before the Committee on Ways and Means last November, the Washington hotels and the Capitol itself have been pervaded by swarms of zealous and aggressive representatives of the manufacturing and exporting interests of Europe. It has been a matter of common remark among residents of Washington that never before have these advance agents of trans-Atlantic prosperity been half so bold, insistent, and exultant over an

anticipated triumph. Many of these unofficial ambassadors and plenipotentiaries of foreign commercial powers have been embarrassed, it is true, by a lack of knowledge of the language of the country, and most of them have been handicapped by a lack of knowledge of the customs and institutions of America, but they have been acute enough to appreciate the value of interpreters and advocates to the manor-born, and practically every group of enterprising gentlemen from abroad has taken the precaution to equip itself with at least one guide, counsellor, and friend who is an American citizen.

SPOKESMEN FOR FOREIGN INTERESTS.

These official interpreters have formed a large group by themselves, a connecting link, as it were, between the eager and expectant European manufacturers and exporters and the guileless "insurgent" Senators, who were their willing though inadvertent champions. It was one of these interpreters — an ex-member of Congress — who put into the hands of the "insurgents" and the Democrats that famous report of the German government in which German manufacturers, under the auspices of their chambers of commerce, were allowed to criticise and denounce the formal testimony of American manufacturers given directly, for the most part under oath, and always subject to cross-examination, before the Committee on Ways and Means — those German manufacturers having the advantage of remaining snugly anonymous, and having the added advantage of the last word. In all our tariff history there has probably been no proceeding more impertinent, more grossly unfair to American interests, than this. And yet, thanks to the plausible encouragement of these "interpreters," Senator La Follette and his "insurgent" comrades consumed hours of the time of the Senate and filled reams of the Record in denunciation of the Committee on Finance for not admitting those anonymous German assertions, written three thousand miles away, on an equality with the direct, responsible, personal evidence of American manufacturers. This ardent insistence of Mr. La Follette and his faction on preferring the foreigner to the American,

ought to have been enough in itself utterly to discredit the "insurgent" group in the eyes of Congress and the country.

Here is proof positive, if any such proof were needed, that Senator La Follette and Senator Dolliver and the few who acted with them have turned their backs upon the American system of protection and gone over to the enemy. A consciousness of guilt seemed especially to trouble Senator Dolliver. On several occasions he protested that the counsellors whose help he sought in framing his attacks upon the cotton and wool schedules were good American citizens, and that therefore he was not at fault. But the vital question which Senator Dolliver did not stop to consider was, "What and whom did those persons represent?" Though European manufacturers and merchants show a natural and, indeed, an increasing preference for their own countrymen as their agents, brokers, and attorneys in America, they occasionally employ in these capacities men who are technically, at least, American citizens, and if they have any American citizens in their service who are presentable persons, familiar with the language, and unquestionably devoted to their cause, these are the men who are put forward to plead their case as interpreters in Washington. Thus, when Senators Dolliver and La Follette indignantly proclaimed that they were not consorting with foreigners, but that the men who coached and prompted them were American citizens, the two Senators were strictly correct—and yet a very disconcerting titter ran around the Senate galleries and echoed through the hotel corridors of Washington.

Of course, the real facts, so thoroughly understood by hundreds of observers in the Capitol, were not unfamiliar to Chairman Aldrich and his associates of the Committee on Finance, and when Mr. Aldrich so precisely described as an "importers' brief" the Dolliver assault on the cotton schedule, he knew and hundreds of others in Washington knew, that though the accusation might be resented it was absolutely true and unanswerable. No more conspicuous magnanimity is often displayed in public life than the forbearance of Chairman Aldrich in not pressing this accusation

day after day against an old-time party comrade, though Mr. Aldrich knew that the fresh criticisms of the tariff schedules which Mr. Dolliver produced every morning were the result of conferences overnight with the interpreters of the desires and interests of importers of New York representing manufacturers of Europe.

HOW THE "INSURGENTS" WERE MISLED.

These Western "insurgent" Senators are sometimes fond of boasting that they are Americans of the Americans, but on this vital issue of the industries of their country against the industries of foreign countries they proved false to their party faith, to their own previous records, and to the security and prosperity of the nation. The amendments to Schedule K which Senator La Follette introduced and Senator Dolliver supported could not well have been more savagely hostile to American industry, if drawn up for the purpose of serving the ends of European manufacturing by the hands of the European manufacturers themselves. These amendments cut the protective duties covering woolen manufactures far more deeply than Mr. Mills or Mr. Vest or Mr. Wilson had ever proposed. The La Follette rates, if adopted, would have destroyed wool manufacturing in America, and while dealing a fearful blow to New England and the Middle States, for which Mr. La Follette seems to have an irrepressible hatred, would have brought utter ruin to the wool growers of the Middle West and the Rocky Mountains.

For Mr. La Follette seems to have been deliberately misled by the "interpreters" whom he consulted. Intending to strike down protection to the odious Eastern manufacturers and at the same time to leave the wool protection of the Western farmers unimpaired, Mr. La Follette inadvertently reduced by almost one-half the actual protection upon wools of the first-class. And Mr. Dolliver and other "insurgent" Republicans of the Middle West voted for the blundering La Follette amendments. Chairman Aldrich very sharply called them to account for this, and admonished them that they would have to reckon with their farmer constituents.

"How are they going to explain their votes," he asked, "in reducing the protection which is afforded to the wool growers of the United States from 40 to 50 per cent by their action in this matter?"

How, indeed! These "insurgents" in their blind rage against Eastern manufacturers would have struck and wounded the farmers and stockmen of the West—and now the "insurgents" must make their peace as best they may. This episode is a vivid example of the reckless methods of the "insurgent" Senators, of their lack of solid information and of any sobering sense of responsibility.

A STRANGE ALLIANCE.

Yet it is with this group of malcontents—foes of the protective system, foes of American manufacturing, mutineers against the Republican organization and Republican leadership in Congress—that the newly-formed Carded Woolen Manufacturers' Association has allied itself through the published correspondence and formal acts of its chief officers. We have no intention to discuss now the merits or demerits of the case which this new association has sought to present in Washington. For more than forty years the views of our entire industry of manufacturing have been regularly and faithfully set forth to Congress through the National Association of Wool Manufacturers, and the leading public men have been accustomed to regard the statements of this Association as honestly representative and conclusive. All through these years, as now, this Association has numbered among its membership many of the principal manufacturers in the carded woolen branch of our industry.

But the National Association has no quarrel with the gentlemen who have seen fit to go their own separate way, because they have chosen that way instead of the older, better, and, we believe, far more effective way, of general coöperation. What we do regret is that the separatists have followed the unaccountable course of selecting as their champions public men like Mr. La Follette and Mr. Dolliver, who are, and long have been, in a state of open revolt against

the Republican organization of the Senate, and against the whole protective tariff system. These men have attacked, not the wool and woollen schedule only, but every schedule of the bill reported by the Republican majority of the Committee of Finance. Of course, it goes without saying that Mr. La Follette and Mr. Dolliver care absolutely nothing for the carded woollen manufacture per se, as contrasted with the worsted branch of the industry. This was conclusively proved by the radical and destructive amendments which they presented and pressed — amendments very much more radical and destructive than were ever submitted by the old-fashioned Democratic free traders in the Mills and Wilson bills. These amendments would have blasted the carded woollen manufacture and the worsted manufacture in America, with cool and delightful impartiality. The one obvious reason why Messrs. La Follette and Dolliver made such eager use of the letters and other arguments given to them by the officers of the new carded woollen organization was because these statements served the “insurgent” purpose, as ammunition for a general fusillade against the Aldrich bill and the protective system. This was a tactical blunder on the part of these carded woollen champions — a serious and perhaps an irretrievable one.

RELYING ON THE ENEMY.

In saying this, we do not wish to be misunderstood. The carded woollen branch of our industry is just as important to the National Association of Wool Manufacturers as the worsted branch. This Association represents both branches, and is devoted alike to the interests of both branches, in Washington and elsewhere. We do not question in the slightest degree the right of those who disagree with us to present their views before the National lawmakers, although we do regret that these views were not pressed at an earlier date upon the attention of this Association, to the end that even the appearance of a contest or controversy within our industry might have been avoided. But we regret even more profoundly that the officials of the new carded woollen organi-

zation have committed their cause to a little group of public men who are seeking, with the solid help of the Democrats, to break down Republican control of the Senate, and to cripple and destroy the American system of protection. This is bad judgment, and hopeless generalship, for it involves dependence on and virtual alliance with the common enemy.

The fatuousness of such a course was evident in every test of strength throughout the entire Senatorial debate on the woolen schedule. In not one single instance did Messrs. La Follette and Dolliver succeed in holding their own petty force together — to say nothing of making any break in the “Macedonian phalanx” of loyal protectionists. Nobody was convinced by the pleas of the “insurgent” spokesmen. They were overwhelmingly answered by the good-tempered, informed, and illuminating speeches of Senators Aldrich, Warren, Smoot, Carter, and McCumber, in defence of the wool and woolen industry. And a fit climax came in the decisive vote of eight ayes to fifty-nine nays by which the Senate rejected the Cummins amendment recommitting the schedule, and sustained the Committee on Finance — the most significant victory scored by the committee on any schedule in the whole long course of the Senate’s consideration of the tariff bill. This ought to be fruitful of sober suggestion to those gentlemen professing to speak for the carded woolen interest and actually speaking for only a small fragment of it, who, cutting aloof from the industry as a whole and the National Association of Wool Manufacturers, have been making an ill-starred campaign of their own in Washington.

VEGETABLE FIBRE IN WOOL.

IMPORTANT RECOMMENDATIONS OF A LONDON SPECIAL
COMMITTEE OF WOOL GROWERS, LONDON SELLING
BROKERS, COLONIAL WOOL MERCHANTS, BRAD-
FORD TOP MAKERS, GERMAN AND
FRENCH REPRESENTATIVES AND
WOOL BUYERS.

THE committee appointed to deal with the question of vegetable fibre in wool met on March 25, 1909, at Messrs. Dalgety & Co.'s offices in London to receive final reports from sub-committees and to draw up the recommendations which are to be issued to colonial growers and wool handlers throughout the industry. There was a large attendance of the committee, representing every section of the industry, under the presidency of Mr. Reginald B. Jacomb.

Discussion took place on the various reports and on the results of the experiments which have been made by the sub-committees. Each recommendation was thoroughly discussed and revised prior to its adoption.

The statement and recommendations here following were unanimously adopted:

VEGETABLE FIBRE IN WOOL.

1. In late years manufacturers and merchants have been greatly troubled with the increasing quantity of vegetable matter appearing in worsted and woolen goods after they had been dyed. Under the impression that defective sorting of the wool was the cause, they have blamed the wool merchant and the topmaker for not taking sufficient care. These latter people claim that quite as much and possibly more care than formerly is being taken. Investigation has proved that loose fibres of jute from bagging or string has been the cause of the trouble. When these are single or separated, it is impossible for the keenest eyes to detect them, and even minute pieces of canvas or small pieces of ravelled twine used in sewing the bags might get overlooked owing to the color of these being

very similar to that of the greasy wool. It has also been found where inferior bags have been used, and the bale has been carefully stripped of its wrapper, that the exterior of the wool is covered with myriads of loose fibres of jute.

2. The vegetable matter here alluded to must be understood to be altogether distinct from burrs. These are quite different in appearance and have to be treated by machinery, which process has been improved of recent years, but the straight fibres of which we speak can only be taken out after the piece has been dyed, involving tedious and careful labor by hand. It must never be imagined for one moment that the agitation about vegetable matter in wool has anything to do with trying to cheapen the cost of sorting. Actual figures show that as much or more is now spent upon sorting wool as ever before, while the cost of burling, or taking the white fibres out of the finished pieces, is ten times what it was a few years ago. Not only is it costly to take these undyed fibres out of the cloth, but when they are taken out they naturally leave defects in the cloth.

3. That there has been a deterioration in the quality of the packing canvas or wool packs during recent years seems to be admitted on all hands, but this lowering of quality has been so gradual that it has not been noticed from year to year. It is only when comparing the bagging with that in use, say ten years ago, that the difference is seen. Moreover, it is noticed that the weaving is more open than formerly, and the yarn is less tightly twisted. Both these features cause the bagging to "fray" more easily and thus liberate loose fibres of jute. This is especially noticeable wherever a cut is made in the bagging such as is done when wool is exhibited for sale.

4. Amongst the remedies for this evil which have been suggested to the committee and carefully considered by them are:

The use of a superior quality of canvas and sewing string; of wool-lined bags; of cotton and paper linings; of dyed bags and dyed string; of wool sewing string; of singeing the

canvas bag; of using sized or glazed bagging: of using metal fasteners to close the lid of the bag: of cross-dyeing the finished cloth, etc.

5. Quite apart from any of these remedies there are ways by which those who handle wool before it reaches its ultimate destination could do something to mitigate the evils. It would be a great advantage if every bag was carefully turned inside out and shaken to remove casual pieces of bagging and string sometimes carelessly left in by the maker. The bag should then be turned back again. The greatest care should be taken in the shearing, classing, and packing sheds, and in the sale warehouses that no foreign fibres, straw, grass, hemp, etc., should come into contact with the wool.

6. With regard to a superior quality of jute cloth, much could be done by using tighter spun yarn to weave into the bagging, and also by producing a closer woven cloth. It is quite evident that both these features would tend towards less fraying where the bag is cut, and that there would be less loose fibre on the wool as the result of the friction between wool and bag. A lighter cloth so made would no doubt stand the same strain of handling, and the cost of the bag need not be much more, as the saving of weight would influence the price. The same will apply to the string used for sewing purposes, which, like the tares, should be undyed, as the color (red or blue) often proves fugitive and stains clean wool.

7. Cheap cotton lining to bags has also been suggested and already adopted by some growers. There are dangers connected with this. When it becomes stained with grease it is of the color of wool and should any small portion get overlooked it might work great harm. Of course, in the case of wool or cotton lined bags, it becomes possible to use a cheap outside bag. The Committee, however, after careful consideration, which has been confirmed by many outside opinions and protests, are compelled to deprecate the use of calico linings.

8. On the other hand, exhaustive experiments have been

made with paper-lined bags. In the case of ordinary thin paper, which has been but loosely attached with glue, the experiments have not been satisfactory. Specially prepared packs of a closely woven texture have, however, been produced with a thick corrugated paper lining, and the reports have been so unanimously favorable from buyers that the Committee have no hesitation in giving these a high recommendation.

9. Singeing the cloth to remove all loose or superfluous fibres seems to have advantages.

10. Sizing the cloth leaves the impression that it is an expedient which has more appearance than merit about it. In the rough usage of transit, etc., the glaze is apt to be rubbed off or dissolved. Sizing alone is an altogether insufficient remedy, and the Committee considers the suggestion inadequate.

11. Metal fasteners for closing the mouth of the bag have been suggested. While this is a step in the right direction, it does not get over the difficulty at issue, and does not materially assist in the solution of the question, besides introducing an element of danger in the handling. Moreover, they render the bale more easily liable to pilfering during transit.

12. Dyed bags and dyed string have on the surface something to recommend them if all goods made from wool had eventually to be dyed black or dark colors, but as some of the fault arises from the rubbing of the wool in the bagging, and as these, being single fibres, could not be picked off, it follows that dyed fibres going forward into light-colored goods would be a much greater danger than light hairs in dark goods, and the Committee considers the suggestion quite impracticable. Colored stripes on the bales are also considered objectionable.

13. It is, of course, well known that vegetable fibres will not dye with wool, and the question of cross-dyeing, *i.e.*, once for vegetable and once for animal fibres, is also impracticable.

CONCLUSIONS.

In conclusion, the Committee desires to record its extreme gratification with the manner in which a large number of Colonial growers have already interested themselves in this question; the response in the way of improved tares which have come on to the market during the present season has been as surprising as it has been gratifying.

Many tares, including cotton-lined, paper-lined, singed bags, and tares of improved quality, have come under the notice of buyers, and already there has been a marked improvement in the packing of many of the best clips. The interest of buyers has also been stimulated, and it will be advantageous to sellers who use approved tares to have the fact stated in the catalogues.

It is obvious that the advantages of packing the wool in a satisfactory manner accrue to the grower, as a clip which has the confidence of users always has a preference over one not so well favored. There may be a minute extra cost of packing, according to the desires of the users, but it appears to be more than compensated for by the advantages of good will, and further it is most improbable that any one who takes a pride in his clip will send it to market in anything but the most merchantable form. Indeed, it could scarcely be imagined that any trade would send forward to market its commodities in any but the most attractive form to the buyer. Doubtless many buyers of good wools would not object to share in the extra cost if some equitable way could be found for this, but so far no feasible plan has been suggested. Many manufacturers continue to give additional testimony to the enormous extra expense entailed by the presence of this vegetable fibre, and whatever may be the difference of opinion as to methods and division of the small extra cost, the grower may be absolutely certain that in the ultimate reckoning this extra cost of treatment is always a tax on the value of the raw wool, which falls ultimately on the grower.

The Committee desires to urge that all growers will continue to assist in the efforts to obtain so very desirable an

end. They would, however, emphasize once and for all the fact that cotton linings constitute an equally serious element of danger; in fact, the cotton threads are liable to fray and are even more difficult to eliminate than pieces of jute string.

The question of wool linings for packs has met with an unexpected check owing to the fact that 25 per cent duty will have to be paid in Australasia. This means a cost of about 1s. 7d. each landed, but of course the cheapest packs may then be used as outer coverings. It is hoped, however, that the Government of the Commonwealth may see its way to cancel this and negotiations are in progress with that object in view. Meanwhile, in the opinion of the Committee, the wool lining furnishes a real remedy provided that the growers can find an easy and convenient method of manipulating these linings in the process of packing.

The various efforts made with paper-lined packs as previously stated have proved eminently satisfactory. The essential features are that the canvas should be sufficiently strong and not too thin; that the paper should be of the thick and corrugated type, which does not fracture; and that the paper be thoroughly attached to the pack. Packs of this character, which have already been under the notice of the Committee, are such as can be thoroughly recommended, and the extra cost of such a paper lining is estimated not to exceed 9d. per bale.

COMMITTEE.

Chairman, J. E. Fawcett, Esq., ex-Lord Mayor of Bradford; *Vice-Chairman*, W. Murray, Esq.; *Convener*, Harry Dawson, Esq. *Woolgrowers*: Mr. H. F. de Little (of Caramut, Victoria), 53, Kensington Palace Mansions, W.; Mr. Acton Adams (of Canterbury, New Zealand), 74, Park Mansions, Knightsbridge, W.; Mr. C. W. Little (of Coreena, Queensland), Scottish Australian Inv. Co., Ltd., Winchester House, 50, Old Broad St., E.C., and Sydney, N.S.W. *London Selling Brokers*: Mr. Reginald B. Jacomb, Jacomb, Son & Co., 61, Moorgate Street; Mr. S. F. Rommel, H. Schwartz & Co., 3, Moorgate Street Buildings. *Colonial Wool Merchants' Association*: Mr. J. G. Suhr, Malcomess, Suhr & Co., Ltd., Moorgate Station Buildings, E.C.; Mr. W. Murray, Sanderson,

Murray & Co., 2, Gresham Buildings, Basinghall Street, E.C.; Mr. A. Taylor, R. T. Turnbull & Co., 4, Lloyds Avenue, E.C.; Mr. Harry Dawson, H. Dawson & Co., London, Bradford, and Sydney. *Bradford Topmakers, Spinners, etc.*: Mr. Albert Illingworth, D. Illingworth & Sons, Whetley Mills, Bradford, President Bradford Chamber of Commerce; Mr. W. A. Whitehead, W. & J. Whitehead, New Lane Mills, Bradford; Mr. H. Ayrton, Ayrton & Co., Shearbridge Road, Bradford; Mr. T. Whiteley, Thos. Whiteley & Co., Stone Hall Shed, Eccleshill; Mr. A. R. Byles, Editor *Yorkshire Observer*, Bradford. *German Representatives*: Herr Simon, J. G. Schmidt, Jun., Sohne, Altenburg; Herr Direktor H. Schoen, Kammgarnspinnerei, Kaiserslautern; Herr Direktor Luis Voget, Kammgarnspinnerei, Leipzig; Herr J. Schlumberger, Kammgarnspinnerei, Malmerspach; Herr H. Arlenspach, Laederich & Co., Mulhouse, Elsass; Herr Hans Reiss, Kammgarnspinnerei, Augsburg; Herr Mehl, Kammgarnspinnerei Stoehr & Co., Leipzig — Plagwitz. *French Representatives*: Mons. E. Duclos, Masurel Fils, Roubaix; Mons. Malard, Wenz & Co., Reims; Mr. Albert Illingworth, Syndicat des Peigneurs, Roubaix. *Wool Buyers' Association*: Mr. Paul V. Fleischl (Hobbs, Taft & Co., Boston), 3, Moorgate Street Buildings, E.C.; Mr. W. P. Raynor (Yorkshire), Thomas Hirst & Co., London, Bradford, Huddersfield; Mr. Newman (West of England), Newman & Co., Nailsworth, Glos.

Obituary.

DAVID L. EINSTEIN (*with portrait*).

THE wool and woolen industry of America and the cause of the protective tariff have suffered a grievous loss in the sudden death in London on May 8, 1909, of David L. Einstein of New York, President of the Raritan Woolen Mills and the Somerset Manufacturing Company, both of which companies are members of the National Association of Wool Manufacturers.

Mr. Einstein was a sterling American man of business who had won conspicuous success and was widely known on both sides of the Atlantic. He was born in Cincinnati, Ohio, on May 20, 1839, but came to New York with his parents while still a boy. His father was in the banking business, and David, who was the eldest of a family of six boys and five girls, entered the employ of his father after acquiring a good education at the College of the City of New York. Under the able tutelage of his father, the young man soon developed an executive ability that was wonderful in one of his years, and before he was twenty-one years of age his father sent him to London to take full charge of his foreign business.

In the years immediately following the Civil War the elder Mr. Einstein, a far-seeing and versatile man of affairs, appreciating the growing demand for domestic medium-priced goods, decided to enter the field of manufacture. In 1869 the Messrs. Einstein, father and son, organized the Raritan Woolen Mills and some ten or twelve years later the Somerset Manufacturing Company was founded. Mr. David L. Einstein was president of both concerns from the time of their establishment up to the date of his death, and much of the success which they have attained in their special line of manufacture is attributable to the careful and conservative policy initiated by the young man who assisted in their formation and directed their operation.

Mr. Einstein was known to all who had dealings with him as a man of very positive character, of remarkable foresight and accurate judgment, of few words, but these direct and forcible and withal a man whose word and nay could be implicitly relied on. In his later years he was passionately devoted to art and his col-

lections of paintings, tapestries and old brocades and laces is said to be one of the most complete and admirable in the country.

Mr. Einstein was a very liberal giver in the cause of charity and his name was on the list of patrons of almost every important charitable institution of New York. In addition to these general benefactions he personally assisted a great many poor and unfortunate people who were known to be worthy of such help. He also contributed generously to many institutions and societies for the advancement of art, science, and education.

A firm and well informed champion of the American system of protection, and quick to recognize the right path of progress of this industry, Mr. Einstein was for many years an active member of the National Association of Wool Manufacturers, serving as Vice-president of this Association from 1879 to 1888 inclusive, and as a member of the executive committee from 1889 to 1903 inclusive. He will be keenly missed by a great host of business and personal friends and associates.

HENRY G. KITTREDGE (*with portrait*).

HENRY G. KITTREDGE, to whose work as a writer and lecturer the textile interests of this country owe a great debt of gratitude, ended his career at his home in Atlanta, Ga., June 5, having been seized by a sudden and fatal illness soon after his return from the annual meeting of the American Cotton Manufacturers' Association.

Mr. Kittredge was a New Englander by birth, a native of Claremont, N.H., and the son of Dr. Thomas B. and Caroline B. Kittredge. He was educated in the schools of Hartford, Conn., and in his youth entered first the dry goods business and then the industry of wool manufacturing. He succeeded so well that at twenty-one he became the superintendent of a fancy cassimere mill near Worcester, and later became the owner of this mill and of another establishment near Fitchburg. Subsequently Mr. Kittredge resided for several years on a cotton plantation in Texas, where he made a careful, scientific study of the fiber, with especial reference to its adaptability to manufacturing.

It was thus with an unusual equipment that Mr. Kittredge began in Massachusetts the editorial work in connection with economics and the textile industry in which he achieved such

wide distinction. He made his home in Reading, Mass., and served first as the editor of the "American Journal of Fabrics," and later of the "Boston Journal of Commerce," the "Textile World," and the "Manufacturers' Gazette." Then he established the "Textile American" in Boston, and was called from this work in 1907 to become the editor-in-chief of "Cotton," published in Atlanta, Ga., and devoted especially to the interests of the great cotton manufacturing industry of the Southern States.

As a student Mr. Kittredge manifested extraordinary industry. He accumulated what is probably the most complete private library in the United States on all subjects relating to the growing and the manufacture of wool and to textile subjects generally. He made himself the master of his theme, and was called upon to speak and lecture widely over the United States. In 1893 he was the treasurer of a committee appointed by the National Association of Wool Manufacturers to prepare the exhibit of American wool manufacturing for the Chicago Exposition, and later, in 1900, he organized the United States textile exhibit at the Paris Exposition, which secured an enviable proportion of grand prizes and gold medals for American manufacturers. In 1895 Governor Greenhalge of Massachusetts appointed Mr. Kittredge a member of the commission to represent the Commonwealth at the Atlanta Exposition.

Throughout his editorial service Mr. Kittredge wrote voluminously on all of the various phases of the textile industry. He was a corresponding member of La Sociedad de Formento Fabril of Santiago, Chile, and a member of the National Committee of the Sir William H. Perkin Jubilee in 1896, to commemorate the discovery of mauve and the beginning of the modern progress in the manufacture of synthetic dyes, etc., and was one of the speakers at the New York banquet on that occasion. He was the textile technologist for the Century Dictionary and Cyclopaedia, and for a paper presented at the meeting of the New England Cotton Manufacturers' Association in 1905 on "The Economic Extension of Cotton Cultivation in the South" he received a medal and the thanks of the Association.

Not only did Mr. Kittredge achieve a great deal through his own personal efforts in his busy and crowded life, but he was able to boast of a distinguished lineage. His father, Dr. Kittredge, was a scholarly man, of fine standing in his profession, and Mr. Kittredge was a nephew of Judge Henry G. Smith, of

Memphis, Tenn., an eminent lawyer of the South, and of Hon. Ashbel Smith, of Houston, Texas, who represented the Republic of Texas at the courts of France and England. A brother of Mr. Kittredge was Judge Ashbel S. Kittredge of California.

Both in the South and in the North Mr. Kittredge had been identified in a large and dignified way with the development of textile manufacturing. He has rendered a great, important and enduring service, and his name and his achievements will be honored by all who are interested in the industry.

FRANK W. CHENEY.

ONE of the strongest men in the textile industry of America is lost to business life in the death of Colonel Frank W. Cheney, the great silk manufacturer and treasurer of the famous firm of Cheney Brothers, South Manchester, Conn. Colonel Cheney was born in 1832, the son of Charles Cheney, one of the seven brothers who founded the silk business of South Manchester two generations ago. Frank Cheney, after graduation from Brown University, entered the silk mill to master all the details of the industry, and with this end in view he also visited Japan. He was a gallant soldier as well as an accomplished manufacturer, having served in the Civil War as Colonel of the Sixteenth Connecticut Volunteers, winning especial distinction at the battle of Antietam where he was seriously wounded.

Colonel Cheney was a consummate leader in the art of silk manufacture, and it was very largely due to his remarkable ability that this industry in America has grown to its present great proportions. He was an active, public-spirited citizen, having a very wide acquaintance with important men of affairs and enjoying the esteem and admiration of all who knew him. His business career covered an unusually wide scope of interests, and his counsel was eagerly sought and valued. Colonel Cheney leaves a widow, eight sons and three daughters.

FRANKLIN ALLEN.

FRANKLIN ALLEN, for many years the Secretary of the Silk Association of America, died February 27, at Ormond, Fla., to which place he had gone on account of his health. Mr. Allen was a grandson of Commodore Vanderbilt, his mother, Ethelinda, being the Commodore's second child. He was the first Secretary

of the Silk Association, holding the office from 1872 to 1877, when he was succeeded by the late William C. Wyckoff and afterward by Briton Richardson, who became the Secretary after the death of Mr. Wyckoff. The death of Mr. Richardson in 1898 again made a vacancy in the office of Secretary, which was filled by the return of Mr. Allen to the post after an interval of about twenty years.

Mr. Allen's labors for the Association were indefatigable and much of its influence, both at home and abroad, is due to his efforts. He did much valuable statistical work for his Association and as Expert Special Agent for the Silk Manufacture prepared the report on that industry for the twelfth census in 1900 and the quinquennial census of 1905. He was a director of the Accountancy Publishing Company and of the New York Silk Conditioning Works. His work has been officially recognized by the governments of France and Japan.

At a recent meeting the American Silk Association adopted the following preamble and resolution :

Whereas, FRANKLIN ALLEN, Secretary of the Silk Association of America, passed from this life at Ormond, Fla., February 27, 1909,

The Board of Managers of the Silk Association of America in meeting assembled, desire to express their profound sorrow at the loss of a genial friend, an accomplished gentleman, and a most valuable and efficient officer.

He was the first Secretary of the Association, having been elected at its first meeting in May, 1872, and his active and conscientious labors during the succeeding five years were an important factor during those formative days of the Association.

He became Secretary again in 1898.

During this last decade, the influence and the scope of the work of the Association for the betterment of every matter affecting the silk industry of this country, at home or abroad, has been greatly extended, and largely through his intelligent and tactful efforts. The statistical tabulations and reports of the Silk Association compiled and written by him have commanded the attention as well as the high commendation of the silk industry throughout the world, and have been officially recognized by the governments of France and Japan.

Be it, therefore,

Resolved, That the heartfelt sympathy of the Silk Association of America be extended to the members of his family in their great loss, and that this expression of deep appreciation of the loss of the Association be inscribed in full upon the minutes, and a copy be sent to the family.

Book Review.

PROGRESSIVE PENNSYLVANIA.*

UNDER the above title Mr. James M. Swank, for more than a generation the Secretary and General Manager of the American Iron and Steel Association, has recently published a volume of peculiar interest to the student of history, particularly as it relates to the industrial development of a community. The opportunities which his relation to the iron industry have afforded and his studies in other directions enable him to present many facts, heretofore but little known and often of great interest, in a most attractive and readable manner, while his wide information, thorough grasp of his subject and most careful discrimination lead him to record those incidents that bring out prominently the causes which led to later developments. In his preface he defines very clearly the scope of his work, and says :

In compiling these incidents I have given prominence to some features of the early history of the province which in my opinion deserve wider recognition than they have received. These include the presence of settlers on the Delaware long before the granting of Penn's charter; the text of important parts of the charter itself; the people who settled Pennsylvania after the granting of the charter, including the large number of redemptioners; the existence of negro slavery in Pennsylvania and when and by whom the agitation for its abolition was set on foot; the text of the act providing for this abolition, a much overrated measure; the cause of the estrangement of the peaceful Delaware Indians; the physical characteristics of Pennsylvania; and the animal life of the province. After the presentation of these and other features of the early history of Pennsylvania I have passed to the means of transportation that were employed by the pioneers and by those who came after them—the early roads, flatboats, keel boats, ferries, bridges, turnpikes, canals, steamboats, and railroads, and these details are followed by several chapters which deal with the great productive industries of the State.

He also includes a chapter on the early history of Pittsburgh, that magnificent center of the iron industry, and another in which many notable events in the industrial history of the State and country are chronologically arranged. Finally, this interesting work of three hundred and sixty octavo pages is concluded by a number of chapters devoted to biographical sketches of prominent men of Pennsylvania who have been especially identified with its history and development.

* American Iron and Steel Association, 261 South Fourth Street, Philadelphia. Price, \$5.

Editorial and Industrial Miscellany.

ADDRESS OF GORDON DOBSON ON BEHALF OF MANUFACTURERS OF CARDED WOOL GOODS BEFORE THE SENATE FINANCE COMMITTEE WEDNESDAY, APRIL 7, 1909.

THE officers of the Maine Woolen Manufacturers' Association President Gordon Dobson, Vice-president Arthur P. Abbott, Secretary-Treasurer John Houston; Executive Committee, Herbert Gray, William T. Haines, George W. Walker, Ellis Jones, and David A. Hurd, accompanied by other manufacturers of carded wool goods, appeared before the Senate Finance Committee in Washington April 7, 1909, and presented a brief and testimony favoring a change in duties on Class 1 and Class 2 wools.

MR. DOBSON'S BRIEF.

Wool clothing is essential to the existence of civilized man in temperate and cold climates. The better he is provided with wool clothing the better able is he to ward off disease and death. We appear here in behalf of the most important of the two great branches of wool manufacturing; that known as the carded woolen industry. It is the most important in respect to the number of operatives employed, wages paid, and the capacity to provide the people with durable and warm clothing at a low price. The Dingley tariff law places the carded woolen industry at a serious disadvantage in performing this essential service for the people, and at the same time that law confers important special favors upon the other branch of wool manufacturing, known as the worsted industry. This discrimination against the one, and the favors conferred on the other will be made clear by a brief outline of the technical conditions.

Worsted is made by combing, which separates the long fibers from the shorter, and then converting these long fibers into yarn and cloth. On the other hand, carded woolen goods are made by carding the wool without separation of the short fibers from the long, and then converting the carded wool into yarn and cloth. In the nature of things the longer stapled wool is used for worsteds; the shorter wools for carded woolen goods. As a result

of these conditions worsted is, as a rule, more expensive than carded woolens. Worsted is adapted more particularly for high-priced clothing; carded woolens for the less expensive clothing.

The wools suited for carded woolen goods carry a large amount of grease and dirt as they come from the sheep's back, a much larger amount of grease and dirt than the worsted wools ordinarily carry. It is by no means unusual to find the wool suited for carded woolen goods with four pounds of grease and dirt to every pound of wool, and wool suited for worsted with no more than one pound of grease and dirt for every four pounds of wool. Hardly two lots of wool can be found that shrink the same by scouring, but the bulk of the shorter wools suited for carded woolen goods is heavy shrinking, while the bulk of the worsted wools is light shrinking.

The Dingley duty on grease wools of Class 1 and 2, which is the same in the Payne bill, is specific, 11 and 12 cents a pound, respectively. It is plain that this specific duty on grease wools is in fact much higher on the scoured weight of heavy shrinking wool than on the scoured weight of light shrinking wool. Applying the 11-cent duty to the two cases just cited, this duty would be equal to 55 cents a scoured pound for the heavy shrinking wool and only 13 $\frac{3}{4}$ cents a scoured pound for the light shrinking wool. The price of heavy shrinking wool per scoured pound for carded woolen goods is usually less than that of worsted wools. These two factors in the problem, the greater quantity of grease and dirt on which the specific duty must be paid, and the lower price of wool for carded woolen goods, result in extremely wide variations in the ad valorem equivalents of the Dingley wool duties. An application of the Dingley duty to 60,000,000 pounds of wool sold at London two months ago showed that the ad valorem equivalent to that duty was as low as 23 per cent on light shrinking and high-priced lots of unwashed wool, and as high as 550 per cent on heavy shrinking and low-priced lots. The result is that the importations of wool into the United States are confined to the light shrinking higher-priced grades suited for worsteds, while the heavy shrinking and lower-priced wools suited for carded woolen goods are excluded from the United States as effectually as if the law made it a capital crime to import them.

This condition is well illustrated by the fact that the average ad valorem equivalent of the Dingley duty on 80,000,000 pounds

of wool recently offered for sale in the leading foreign markets was 94 per cent, while the ad valorem equivalent of the Dingley duty on the wool actually imported into the United States last year, 1908, was only 44 per cent, because of its light shrinkage.

ADVANTAGES UNDER CLASS 2.

A great many of the wools imported for worsted uses are dutiable under Class 2, and aside from the advantage the worsted manufacturer has under a general application of a specific duty he has under this class a further concealed advantage. The terms of this class are:

“Unwashed and washed, 12 cents per pound duty; scoured, three times the duty of unwashed.”

Note that wools washed under this class can be imported at the same rate as unwashed, or, in other words, the users of these wools can import them in a partly clean condition, with the bulk of the dirt and grease removed, at the same rate as if they were in their natural condition. It is understood that washed means wools washed on the sheep's back. This gives the worsted manufacturer a decided advantage, as they are heavy users of this wool, while carded manufacturers, who use mainly wools in Class 1, are obliged to pay a duty on washed wools equal to twice the duty on unwashed. In one case the washed wools are imported at 12 cents per pound, while in the other at 22 cents per pound. A very decided advantage.

It is these conditions from which the carded woolen manufacturers ask relief. We care not what form that relief takes so long as it is effective, but relief must be given by the Government if the carded woolen industry, whose function it is to provide warm and durable clothing for the people at a moderate price, is not to be starved to death.

We ask for no reduction in the duty on wool. We ask that as long as wool is imported into this country the tariff be framed so that it will bear equally on the carded woolen industry and on the worsted industry, so that it will permit the importation of wool suited for warm, durable and low-priced clothing for the masses with no greater proportionate tax than what may be imposed on wool suited for the high-priced clothing. We ask for relief and leave the form of that relief to the law-makers. We suggest to you, however, that the value of grease wool is

based on the value of scoured wool obtained from it, and that in view of the wide fluctuations in the shrinkage in the weight of wool by scouring there is no escape from the conclusion that the fairest method of levying a duty on wool is in the form of a percentage of its value; that is, by an *ad valorem* tariff made effective by a stringent customs administrative law.

WANT FACTS UNDERSTOOD.

Now, we want you to understand clearly the facts. The present 11-cent duty on grease wools admits into this country the light shrinking long-stapled worsted wools at a low rate per scoured pound that is not more than one-half of the tariff tax contemplated by the framers of the law as a protection to the domestic wool growers. On the other hand, the 11-cent duty on heavy shrinking wools results in a tariff many times that contemplated as protection for the wool growers. The effect of the equalization of wool duties which we ask would be to raise the present low duty on light shrinking wools to a higher level at which all wools would bear the same tariff tax.

We are especially favored to-day in illustrating the burden on our industry by the fact that the Payne bill threatens a branch of worsted manufacturing with a burden arising from the same cause, namely, a specific duty on wool of widely varying shrinkages. We refer to the 39-cent duty imposed by the Payne bill on worsted tops. That duty would annihilate the fine tops industry in this country just as the 11-cent duty on grease wool of heavy shrinkage is slowly annihilating the carded woolen industry. The working of this Payne duty on worsted tops is illustrated by its application to these four lots of worsted wool combed in American mills:

		Duty.
No. 88 Coarse Quarter Blood Wool:		
10,000 lbs. grease wool .....	.11	\$1,100.00
6,680 " top.....	.39	2,605.20
Protection to top maker		\$1,505.20
No. 230 Crossbred Australian:		
10,000 lbs. grease wool .....	.11	\$1,100.00
5,655 " top.....	.39	2,205.45
Protection to top maker		\$1,105.45

Passaic — Fine Australian :

10,000 lbs. grease wool .....	.11	\$1,100 00
3,925 “ top.....	.39	1,530.75
		<hr/>
Protection to top maker		\$430.75

Hartley — Fine Merino Territory :

10,000 lbs. grease wool.....	.11	\$1,100.00
2,173 “ top.....	.39	847.47
		<hr/>
Discrimination against top maker		\$252.53

These tests show that the 39-cent rate on tops gives a very high protection to the makers of tops from light shrinking wools, while the same 39-cent rate means the withdrawal of all protection from the makers of tops from heavy shrinking wool. In the latter case the duty on grease wool is actually less than the duty on tops, and, as a result, the wool will be combed in foreign countries, imported into the United States in the form of tops, and this branch of topmaking will be destroyed in this country. We believe that inequality of rates with which the Payne bill threatens the tops industry should be corrected. We advocate and urge this correction just as we advocate the removal of the same burden that is oppressing the carded woolen industry. We cannot believe that you will grant relief to the worsted industry and refuse it to the carded woolen industry.

BY-PRODUCTS.

The injustice of the present tariff law, however, is not confined entirely to the schedule on wool. Equally flagrant and unjust inequalities exist in the schedules on by-products. While we are generous enough to believe that this injustice was created unwittingly on the part of our legislators, yet, if there had been a concerted effort made to render it impossible for the carded woolen manufacturer to procure raw material of any kind with which to produce his goods in competition with the worsted manufacturer, no law could have been made to better bring about the desired result. It was not enough to place a discriminating duty on wools so the worsted manufacturer could get his wools at better value by importing them at a lower rate of duty, but it was deemed wise to place a further prohibitive duty on worsted wastes, noils, etc., so that we are prevented from getting even these products, except at exorbitant prices, to substitute for the wool we cannot get.

In referring to wool substitutes we do not wish you to get the impression that these are used for the purpose of cheapening our goods to gain greater profits for ourselves, nor that they make goods that are unserviceable or impractical for the people to wear. They are, on the contrary, one of the greatest agents for practical economy and are the salvation of the masses in their efforts to get good serviceable clothing at reasonable prices.

The Dingley duties on these by-products are prohibitory, and the Payne bill gives no relief, because the rates, although slightly less, are still prohibitory. The worsted spinner cannot use his noils. They can be converted into cloth only by the carded woolen mills. As a result, however, of the prohibitory duty on noils, the carded woolen manufacturer does not dare to use them to the extent warranted by their value as a raw material, because any material increase in the demand for noils would send the price up to the full amount of the duty paid. An increase in the use of noils could not injure the wool grower because he supplies only a small part, about 40 per cent, of the wool consumed by the people.

THE WOOL AND WOOLEN SCHEDULE OF THE PAYNE TARIFF BILL, WITH THE AMENDMENTS PROPOSED BY THE SENATE FINANCE COM- MITTEE.

We present herewith Schedule K of the Payne tariff bill as it passed the House, April 10, 1909, with amendments reported to the Senate by its Finance Committee, April 12. The Payne bill, as it was adopted by the House, appears in Roman type. Such paragraphs and words as are enclosed in brackets are provisions which were stricken out by the Finance Committee, and the words in italics are the Finance Committee's substitutes for the same, except the word "provided" wherever it appears. The schedule as amended by the Finance Committee is identical with Schedule K of the Dingley law and was passed and approved by the Senate June 11.

SCHEDULE K. — WOOL, AND MANUFACTURES OF.

356. All wools, hair of the camel, goat, alpaca, and other like animals shall be divided, for the purpose of fixing the duties to be charged thereon, into the three following classes :

357. Class one, that is to say, merino, mestiza, metz, or metis wools, or other wools of Merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including Bagdad wool, China lamb's wool, Castel Branco, Adrianople skin wool or butcher's wool, and such as have been heretofore usually imported into the United States from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, Egypt, Morocco, and elsewhere, and all wools not hereinafter included in classes two and three.

358. Class two, that is to say, Leicester, Cotswold, Lincolnshire, Down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used, and also hair of the camel, Angora goat, alpaca, and other like animals.

359. Class three, that is to say, Donskoi, native South American, Cordova, Valparaiso, native Smyrna, Russian camel's hair, and all such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Syria, and elsewhere, excepting improved wools hereinafter provided for.

360. The standard samples of all wools which are now or may be hereafter deposited in the principal custom-houses of the United States, under the authority of the Secretary of the Treasury, shall be the standards for the classification of wools under this Act, and the Secretary of the Treasury is authorized to renew these standards and to make such additions to them from time to time as may be required, and he shall cause to be deposited like standards in other custom-houses of the United States when they may be needed.

361. Whenever wools of class three shall have been improved by the admixture of Merino or English blood, from their present character as represented by the standard samples now or hereafter to be deposited in the principal custom-houses of the United States, such improved wools shall be classified for duty either as class one or as class two, as the case may be.

362. The duty on wools of the first class which shall be imported washed shall be twice the amount of the duty to which they would be subjected if imported unwashed; and the duty on wools of the first and second classes which shall be imported scoured shall be three times the duty to which they would be subjected if imported unwashed. The duty on wools of the third

class, if imported in condition for use in carding or spinning into yarns, or which shall not contain more than eight per centum of dirt or other foreign substance, shall be three times the duty to which they would otherwise be subjected.

363. Unwashed wools shall be considered such as shall have been shorn from the sheep without any cleansing; that is, in their natural condition. Washed wools shall be considered such as have been washed with water only on the sheep's back, or on the skin. Wools of the first and second classes washed in any other manner than on the sheep's back or on the skin shall be considered as scoured wool.

364. The duty upon wool of the sheep or hair of the camel, Angora goat, alpaca, and other like animals, of class one and class two, which shall be imported in any other than ordinary condition, or which has been sorted or increased in value by the rejection of any part of the original fleece, shall be twice the duty to which it would be otherwise subject: *Provided*, That skirted wools as imported in eighteen hundred and ninety and prior thereto are hereby excepted. The duty upon wool of the sheep or hair of the camel, Angora goat, alpaca, and other like animals of any class which shall be changed in its character or condition for the purpose of evading the duty, or which shall be reduced in value by the admixture of dirt or any other foreign substance, shall be twice the duty to which it would be otherwise subject. When the duty assessed upon any wool equals three times or more that which would be assessed if said wool was imported unwashed, the duty shall not be doubled on account of the wool being sorted. If any bale or package of wool or hair specified in this Act invoiced or entered as of any specified class, or claimed by the importer to be dutiable as of any specified class, shall contain any wool or hair subject to a higher rate of duty than the class so specified, the whole bale or package shall be subject to the highest rate of duty chargeable on wool of the class subject to such higher rate of duty, and if any bale or package be claimed by the importer to be shoddy, mungo, flocks, wool, hair, or other material of any class specified in this Act, and such bale contain any admixture of any one or more of said materials, or of any other material, the whole bale or package shall be subject to duty at the highest rate imposed upon any article in said bale or package.

365. The duty upon all wools and hair of the first class shall

be eleven cents per pound, and upon all wools or hair of the second class twelve cents per pound.

[366. The duty upon wools of the third class and upon camel's hair of the third class shall be as follows: If valued at not more than ten cents per pound, three cents per pound; if valued at more than ten cents per pound and not more than sixteen cents per pound, three cents per pound and in addition thereto one-half of one cent per pound for each one cent per pound the value exceeds ten cents; if valued at more than sixteen cents per pound, seven cents per pound.]

366. On wools of the third class and on camel's hair of the third class the value whereof shall be twelve cents or less per pound, the duty shall be four cents per pound. On wools of the third class, and on camel's hair of the third class, the value whereof shall exceed twelve cents per pound, the duty shall be seven cents per pound.

367. The duty on wools on the skin shall be one cent less per pound than is imposed in this schedule on other wools of the same class and condition, the quantity and value to be ascertained under such rules as the Secretary of the Treasury may prescribe.

[368. Top waste and roving waste, twenty-five cents per pound; slubbing waste, ring waste, and garnetted waste, twenty cents per pound.]

368. Top waste, slubbing waste, roving waste, ring waste, and garnetted waste, thirty cents per pound.

369. Shoddy, [twenty] *twenty-five* cents per pound; noils, wool extract, yarn waste, thread waste, and all other wastes composed wholly or in part of wool, and not specially provided for in this section, [eighteen] *twenty* cents per pound.

370. Woolen rags, mungo, and flocks, [six] *ten* cents per pound.

[371. Tops shall be subject to the same duty imposed upon the scoured wool of which they are made and six cents per pound in addition thereto.]

372. Wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this section, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this section.

373. On yarns made wholly or in part of wool, valued at not more than thirty cents per pound, the duty per pound shall be

two and one-half times the duty imposed by this section on one pound of unwashed wool of the first class [and in addition thereto twenty-five per centum ad valorem]; valued at more than thirty cents per pound, the duty per pound shall be three and one-half times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto, *upon all the foregoing*, forty per centum ad valorem.

374. On cloths, knit fabrics, and all manufactures of every description made wholly or in part of wool, not specially provided for in this section, valued at not more than forty cents per pound, the duty per pound shall be three times the duty imposed by this section on a pound of unwashed wool of the first class; valued at above forty cents per pound and not above seventy cents per pound, the duty per pound shall be four times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, fifty per centum ad valorem; valued at over seventy cents per pound, the duty per pound shall be four times the duty imposed by this section on one pound of unwashed wool of the first class and fifty-five per centum ad valorem.

375. On blankets, and flannels for underwear composed wholly or in part of wool, valued at not more than forty cents per pound, the duty per pound shall be the same as the duty imposed by this section on two pounds of unwashed wool of the first class, and in addition thereto thirty per centum ad valorem; valued at more than forty cents and not more than fifty cents per pound, the duty per pound shall be three times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto thirty-five per centum ad valorem. On blankets composed wholly or in part of wool, valued at more than fifty cents per pound, the duty per pound shall be three times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto forty per centum ad valorem. Flannels composed wholly or in part of wool, valued at above fifty cents per pound, shall be classified and pay the same duty as women's and children's dress goods, coat linings, Italian cloths, and goods of similar character and description provided by this section: *Provided*, That on blankets over three yards in length the same duties shall be paid as on cloths.

376. On women's and children's dress goods, coat linings, Italian cloths, and goods of similar description and character of

which the warp consists wholly of cotton or other vegetable material with the remainder of the fabric composed wholly or in part of wool, valued at not exceeding fifteen cents per square yard, the duty shall be seven cents per square yard; valued at more than fifteen cents per square yard, the duty shall be eight cents per square yard; and in addition thereto on all the foregoing valued at not above seventy cents per pound, fifty per centum ad valorem; valued above seventy cents per pound, fifty-five per centum ad valorem: *Provided, That on all the foregoing, weighing over four ounces per square yard, the duty shall be the same as imposed by this schedule on cloths.*

377. On women's and children's dress goods, coat linings, Italian cloths, bunting, and goods of similar description or character composed wholly or in part of wool, and not specially provided for in this section, the duty shall be eleven cents per square yard; and in addition thereto on all the foregoing valued at not above seventy cents per pound, fifty per centum ad valorem; valued above seventy cents per pound, fifty-five per centum ad valorem: *Provided, That on all the foregoing, weighing over four ounces per square yard, the duty shall be the same as imposed by this schedule on cloths.*

378. On clothing, ready-made, and articles of wearing apparel of every description, [wool hats], *including* shawls whether knitted or woven, and knitted articles of every description made up or manufactured wholly or in part, felts not woven, and not specially provided for in this section, composed wholly or in part of wool, the duty per pound shall be four times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto sixty per centum ad valorem.

379. Webbing, gorings, suspenders, braces, bandings, belt-ings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries, and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is a component material, whether containing india rubber or not, fifty cents per pound and sixty per centum ad valorem.

380. Aubusson, Axminster, moquette, and chenille carpets,

figured or plain, and all carpets or carpeting of like character or description, sixty cents per square yard and in addition thereto forty per centum ad valorem.

381. Saxony, Wilton, and Tournay velvet carpets, figured or plain, and all carpets or carpeting of like character or description, sixty cents per square yard and in addition thereto forty per centum ad valorem.

382. Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, forty-four cents per square yard and in addition thereto forty per centum ad valorem.

383. Velvet and tapestry velvet carpets, figured or plain, printed on the warp or otherwise, and all carpets or carpeting of like character or description, forty cents per square yard and in addition thereto forty per centum ad valorem.

384. Tapestry Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, printed on the warp or otherwise, twenty-eight cents per square yard and in addition thereto forty per centum ad valorem.

385. Treble ingrain, three-ply, and all chain Venetian carpets, twenty-two cents per square yard and in addition thereto forty per centum ad valorem.

386. Wool Dutch and two-ply ingrain carpets, eighteen cents per square yard and in addition thereto forty per centum ad valorem.

387. Carpets of every description, woven whole for rooms, and Oriental, Berlin, Aubusson, Axminster, and similar rugs, ten cents per square foot and forty per centum ad valorem: *Provided*, That in the measurement of all mats, rugs, carpets and similar articles, of whatever material composed, the selvage, if any, shall be included.

388. Druggets and hockings, printed, colored, or otherwise, twenty-two cents per square yard and in addition thereto forty per centum ad valorem.

389. Carpets and carpeting of wool, flax, or cotton, or composed in part of any of them, not specially provided for in this section, and mats, matting, and rugs of cotton, fifty per centum ad valorem.

390. Mats, rugs for floors, screens, covers, hassocks, bed sides, art squares, and other portions of carpets or carpeting made wholly or in part of wool, and not specially provided for in this

section, shall be subjected to the rate of duty herein imposed on carpets or carpetings of like character or description.

391. Whenever, in any schedule of this Act, the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the sheep, camel, goat, alpaca or other animal, whether manufactured by the woollen, worsted, felt, or any other process.

391½. *Woven fabrics, and manufactures thereof, composed of animal hair combined with either cotton, or other vegetable fiber, silk, or wool, shall be classified and dutiable as manufactures of wool.*

Paragraph 391 of Schedule L of the Dingley Act, which had not been reached by the Senate at the time of going to press, contains an important proviso relating to wool manufactures, reading as follows: "All manufactures of silk, or of which silk is the component material of chief value, including such as have india rubber as a component material, not specially provided for in this Act, and all Jacquard figured goods in the piece, made on looms, of which silk is the component material of chief value, dyed in the yarn, and containing two or more colors in the filling, fifty per centum ad valorem: *Provided*, That all manufactures, of which wool is a component material, shall be classified and assessed for duty as manufactures of wool."

A similar proviso appears in the same schedule in paragraph 398 of the Payne bill and in paragraph 399 of the Finance Committee's report, although in the Payne bill it is in the paragraph relating to Jacquard figured goods, etc., and in the Finance Committee's bill in that relating to all manufactures of silk "not specially provided for." It reads as follows: "*Provided*, That all manufactures which would otherwise be dutiable under this schedule of this Act shall, if containing wool as a component material, be classified and dutiable under the appropriate provision of Schedule K of this Act."

“STIRRING UP” THE COUNTRY.

HOW HOSTILITY TO ADEQUATE TARIFF PROTECTION IS PRODUCED BY THE AGENTS OF EUROPEAN MANUFACTURERS.

As an example of the way in which “tariff reform” or free trade public sentiment is manufactured in the United States, this intercepted circular of foreign importers of laces and embroideries at New York is interesting :

ASSOCIATION OF
IMPORTERS OF LACES AND EMBROIDERIES
SECRETARY'S OFFICE
443 BROADWAY
NEW YORK

REVISING THE TARIFF UPWARD.

DEAR SIRs: Do you know that the Finance Committee of the Senate are now considering a SPECIFIC DUTY ON ALL LACES MANUFACTURED ON THE LEVERS AND GOTHROUGH MACHINES, that the laces affected are the very ones which constitute by far the greatest proportion of your business in that line, namely VALENCIENNES, NOTTINGHAM TORCHONS, FANCY COTTON LACES, ALL-OVER NETS, also VEILINGS, and that the duty on these goods will thereby be increased from 60 per cent to as much as 85 per cent?

Do you know that a determined effort is also being made to secure an increase of duty on embroideries?

Do you want to pay more for your merchandise and require more capital to run your business?

Do you think your customers will be willing to pay more for their laces, underwear and other lace-trimmed garments?

If you do not — write to your Congressmen and Senators at once urging them to protest against the imposition, and STIR UP YOUR LOCAL PAPERS ON THE SUBJECT.

Yours truly,

ASSOCIATION OF IMPORTERS OF LACES AND EMBROIDERIES.

RALPH MUSER,
President.

Herr Muser, who signs this perfervid appeal to the retail dry goods trade of the United States to stand by European as against American industry, is apparently the Chairman of the Tariff Committee and also president of this importers' association. We have no particular quarrel with him. He is simply endeavoring to look out for his own interests, which are the interests of France and England and Germany and Switzerland, as against

the interests of America, in the production and sale of the articles in which he deals. The more foreign goods Herr Muser can introduce and sell, the larger are his profits and the larger the profits of the European manufacturers whose cause he represents. The success of his efforts is ultimately to be measured not only by the increased emoluments of himself and his associates but by the increased amount of work and wages thereby provided for the work-people of Europe as against the work-people of America.

In other words, since international competition is closely akin to war, Herr Muser can claim in justification that he is standing up for his side, that he has a right to stand up for it, and that if he can induce a certain number of American merchants and American newspapers to stand with him against the productive interests of their own country, he is simply enlisting all the mercenaries he can, which is the familiar and unquestioned privilege of belligerents.

We are a very free-and-easy, tolerant, good-humored people in America. If a cause similar to that in which Herr Muser is engaged were attempted, say, in Germany, and the representative there of American manufacturers endeavored to arouse the merchants and "stir up" the newspapers of the Empire against an increase of tariff protection to German industry, we imagine that these enterprising gentlemen would be promptly furnished with police escort to the docks and placed on the first outgoing ship, with an emphatic admonition that their room was preferable to their company.

But we do these things differently in the United States. Here there is no law, nothing but vague, non-commercial consideration of good taste, to interfere with the activities of the interesting gentlemen who make up the Association of Importers of Laces and Embroideries. Presumably their circular, one copy of which has fallen into our hands, has been sent broadcast throughout the country, particularly to the local merchants in Western States hospitable to the idea of "tariff revision downward" on anything except hogs, corn, barley, hides, wheat and other products of their native agriculture. To these local merchants especially is the adroit appeal addressed, "Do you want to pay more for your merchandise and require more capital to run your business?" Of course, these busy men, very few of whom are broad-gauge political economists, will look no further than to the bank across the street, will mentally answer "no," and will straight-

way hurry out to "stir up the local papers" in which they advertise to do the shrewd bidding of the European manufacturers.

This is the way in which "downward revision" sentiment, anti-protection sentiment, free trade sentiment, is fabricated all over the United States. The foreign manufacturer in France or England or Germany or Switzerland writes to the importers in New York City — often his own partners, personal agents or representatives — suggesting exactly this "stirring up" of the retail merchants and the newspapers, and the necessary circulars are printed and sent out by the thousands. In other words, the foreign manufacturer pushes the button and the agents and importers do the rest.

But there is reason to believe that this thing has been heavily overdone in the present revision of the tariff. Too many of these circulars, sent out in such a careless, wholesale way, have fallen into the hands of men whose interests are all in the prosperity of America and not in the prosperity of Europe. If the truth were known, it would probably be found that a handsome souvenir collection of these European trade circulars is in the possession of the Senate Committee on Finance in Washington, and that the able men who are framing the tariff are in a position to make a very exact appraisal of the actual worth of public sentiment "stirred up" at the direct instigation of foreign manufacturers by foreign agents and importing houses and their cunning appeals to the thrift of retail merchants and publishers of newspapers. All that "sentiment" of this kind really represents is the over-reaching commercial greed of Europe.

THE DOLLIVER ATTACK.

(From the "Textile Manufacturers' Journal," May 8.)

SENATOR JONATHAN P. DOLLIVER, of Iowa, held up business in this country for two days this week while he indulged in an attack on the textile schedules of the Aldrich bill that is designed to impress his constituents with his free trade tendencies and insure his return to the Senate when his term expires two years hence. Senator Dolliver presumably selected the textile schedules as the subject of his attack because there are only about a dozen textile mills in his State, and because he and

his constituents know and care less about the textile than any other industry. But the Senator stated that he had made a deep study of the subject, had consulted practical men and was impressed with the justice of the plea of carded woolen manufacturers. It would be interesting to learn the identity of some of these practical men. They are probably proud of the fact that they have done their best to aid Senator Dolliver in his efforts to weaken the tariff case of the wool and cotton industry. It is not their fault that they have not accomplished this. It is not the fault of the delegations of carded wool goods manufacturers who visited Washington that they have not unsettled the whole wool tariff case and brought calamity upon themselves and the whole industry. Since no apparent damage has been done, or appears possible, the trade can afford to excuse them and the "practical men" who have so enlightened Senator Dolliver, because they really know not what they have been doing. They have been playing with fire, but are not yet fully aware of the fact.

The textile schedules in approximately their present form, but with a probable partial restoration of the Payne advances on fashioned hosiery, are reasonably certain of becoming a law. They will certainly become a law if the well-intentioned but dangerous agitation of carded woolen men ceases, and if the real animus of importing jobbers and retailers who are opposing the cotton and hosiery schedules is shown. One of the most serious dangers of the tariff movement of carded wool goods manufacturers is pointedly illustrated in Senator Dolliver's diatribe on the wool schedules. We refer to the misconstruction of the intent of this movement, and to the resultant attack by Dolliver and other Congressmen upon the whole wool schedule, and particularly upon the cloth duties. From the first we warned the carded wool manufacturers that this would necessarily follow. We did not draw their attention to the fact that in any readjustment of the cloth schedules they would suffer most severely, because we presumed that they were aware of this fact. Their persistent efforts to prove that it does not take four pounds of grease wool to make one pound of finished goods would seem to indicate that they do not appreciate what might be the result of such agitation if persisted in. If they will consult wool tariff history they will find that the 4 to 1 proposition was originally developed from the very heavy shrinkage in Montevideo and Cape wools

that they profess to be so anxious to import. They must appreciate the fact that worsted fabrics made from light-shrinkage wools would suffer far less from a reduction in compensatory duties than the carded woolen mixtures. Particularly would this be the case if Senator Dolliver's suggestion should prevail of adjusting compensatory duties according to the wool contents of a fabric.

Were it not apparent that Senator Dolliver has not made an intelligent study of the textile schedules, and equally plain that his oration was purely designed for the consumption of home constituents, we would make it a point to answer some of his most serious reflections upon the textile industry and upon its representatives who have been prominent in tariff history. We do not consider that his speech of this week differs radically from that of several years ago in which he masterfully eulogized the cow as differentiated from the producers of oleomargarine. The latter industry has since flourished, and we are confident that the textile industry will suffer as little from Jonathan Dolliver's attack.

REPRESENTATIVE DALZELL OPPOSED TO A TARIFF COMMISSION.

CONGRESSMAN JOHN DALZELL, of Pennsylvania, next in rank to Chairman Payne on the Committee of Ways and Means of the House of Representatives, makes a strong statement against a permanent tariff commission. In a letter to the Pittsburgh Chamber of Commerce, Mr. Dalzell says :

I have your letter advising me that the Chamber of Commerce of Pittsburgh has been notified of a meeting which will be held at Indianapolis in February looking toward the creation of a permanent tariff commission and asking my views as to the propriety of sending delegates to such meeting. Whether or not the Chamber of Commerce shall send delegates is a matter which must be decided by the Chamber itself, but, if it shall be decided to send such delegates, I sincerely hope that they may be sent with instructions to oppose the creation of any such commission. I cannot conceive of any measure much more useless and at the same time more fraught with possible injury to the business interest of the country than the creation of such a commission.

Under the Constitution of the United States the inauguration of all measures for the raising of revenue is exclusively intrusted

to the House of Representatives, and the duty resulting to the House thereby cannot by law be delegated to any one. It would be impossible to create a commission that would have any authority even in the most remote way to fix tariff duties. For practical purposes, therefore, a tariff commission would be utterly useless. The utmost that it could do would be to recommend legislation. But it goes without saying that no House of Representatives would be willing to accept the conclusions of an outside body merely upon its recommendation and without having direct knowledge with respect to the matters recommended.

It is urged that the tariff should be regulated by a non-partisan commission. A non-partisan commission is an impossibility. So long as there are two schools of economic thought the members of any such commission must naturally divide in accordance with their views, as they should happen to belong to one or other of these schools. The tariff question has been a political question ever since the foundation of the Government, and necessarily it will continue to be such.

It is further urged that such commission would have opportunities to gain expert knowledge that is not within the control of Congress. That is a mistaken assumption. No commission could be appointed which would have such varied and comprehensive means of gathering expert knowledge as the Congress has through its Committee on Ways and Means of the House and its Finance Committee of the Senate. Every Government agency, the State Department, the Department of Commerce and Labor, the Bureau of Manufactures, the Bureau of Corporations, with its almost inquisitorial powers, and all the various departments of the Government clothed by law with the power to gather facts are at the service of the committees of Congress. It is within the power of those committees to possess themselves of information that no independent bureau, such as the proposed tariff commission, could command.

But the most convincing argument against the creation of such commission is to be found in the fact that such a commission would keep the business interests of the country in a state of perpetual unrest. What is needed in a tariff law is stability. Business conditions will adapt themselves to even a poorly adjusted schedule of tariff duties. They cannot adjust themselves to a law likely suddenly to be changed at any time. No business man would be willing to conduct his business on an uncertainty, lay in stock, make investments for the future, if he knew that a body existed that from day to day and week to week had the power to recommend to Congress, according to its judgment, changes in the various schedules of the tariff law. I cannot conceive of a more mischievous scheme to unsettle the business conditions of this country than is to be found in the proposal to establish a permanent tariff commission.

I sincerely trust that the Chamber of Commerce of Pitts-

burgh, representing the business interests of a community that more than any other in the country is interested in the stability of a tariff law, will refuse to lend itself to the creation of a new, expensive, and useless Governmental bureau, to be known as a permanent tariff commission, and I hope that, if delegates are sent to the proposed convention, they will be sent with instructions earnestly to resist the proposed scheme.

JOHN DALZELL

As a result of this vigorous statement the Pittsburgh Chamber of Commerce refused to join in the Indianapolis movement for promoting the tariff commission scheme.

MR. DOLLIVER'S WEAK POINTS.

THAT ATTACK ON THE WOOL AND WOOLEN SCHEDULE, AS
A PRACTICAL MANUFACTURER VIEWS IT.

A REMARKABLY clear and convincing analysis of the speech of Senator Dolliver in regard to Schedule K is presented in a letter to the "Textile Manufacturers' Journal" by Mr. Charles H. Harding, of the Erben-Harding Company of Philadelphia, Vice-president of the National Association of Wool Manufacturers. Mr. Harding says:

The first impression obtained from a careful reading of the speech of Senator Dolliver on Schedule K, delivered May 6, is that the usual result has happened to a man who spends an evening or two in being coached in technical matters which most people come at only by years of study and experience. The next is, that it is not surprising that men of such immense and intense information as his two teachers have become side-tracked from the woolen business. And how is it that we do not find training with Messrs. Edward A. Greene, Dale, Moir, Dobson, and Bennett, any men of importance who make *both wools and worsteds*?

Considering his propositions separately, look first at the compound duties of the woolen schedule. The intimation that these were made and have been continued by a series of successful conspiracies that have invariably deceived the legislators concerned, like Morrill, Edmunds, Sherman, Allison, McKinley, Dingley, Wilson (for he continued the ad valorem duty to the manufacturer), Randall and the many now living, is so much more violent than to suppose that Mr. Dolliver has simply "gone along" while on the Ways and Means Committee without serious attention to the facts and proofs on record that the latter conclusion is nearly inevitable. The implied slur on the intelli-

gence and honor of these men and of the business men who submitted samples and facts is unworthy of the man who has, by his insinuations, made himself its author.

RELATIONS DO NOT CHANGE.

The relations of duties on "wool in the grease," "washed wool," "scoured wool" and "wool in various forms of manufacture" do not alter with the lapse of time, nor change with the progress of the weaver's art, for the reason that the relations of those articles themselves depend upon properties of the wool fiber that remain practically the same in all time. Great improvement in the direction of fineness of fiber has but increased the losses in weight that occur in the successive stages of the manufacture. So that if there is to be any duty on wool it is absurd to expect manufacturers importing wool to compete with foreigners who pay no duty on wool, without giving the domestic manufacturer an equivalent for what he must pay as an importer before giving the duty that makes it possible to manufacture under American conditions. And in every case the duty to be safe must be at such a limiting point, as in the case of the duty on scoured wool, as to secure the production of the larger part of the commodity in this country under any and all conditions of the market for the raw material, or the position of the manufacturer will be too unstable and so fail to furnish regular, profitable employment for capital and labor, and the business will suddenly or gradually disappear.

The arrangement of "compensating duties" in the woolen schedule was first made, and has been continued, not by a series of successful tricks, but with these cardinal principles in mind, thoroughly understood, often defended and frequently explained by men in the House and Senate who framed the successive tariff acts. And the reenactment has been made after the repeated exploiting and discussing of "inequalities" — newly found by succeeding generations of zealots or men suddenly grown wise by an evening's coaching; and in every case it has appeared, as it doubtless will now, to the despair or satisfaction of this class of men, that all their academic propositions for curing the situation bring worse evils in their train to the American wool grower, wool operative and wool manufacturer. So that the repeated discovery that it does not require any certain number of pounds of wool invariably to make a pound of a given article is but the resurrection of a corpse that is getting in a worse condition than was that of Lazarus; the statements of fact, so often true, that conflict so much are quite aside from the main question.

This main question is "What is the safe limit that shall be protective for *finest qualities*, and how may that be modified that it may not be either monopolistic or prohibitive in the lower and

cheaper goods?" The continued, increasing importations cited by Mr. Dolliver show that the "top limit" is not too high.

ESTABLISHING DIVIDING LINES.

The usual effort to avoid prohibition of cheaper articles has been to establish "dividing lines," and if all the discussion about what is required in "pounds of wool" to make a pound of a given article has any value at all, it is in the appointment of the number and place of these "dividing lines." The danger to honest collection of duties threatened by many "dividing lines" is well known to those who are charged with the execution of our tariff laws. Later on a "dividing line" will be suggested that may furnish the Senator and his "night school" something to think about. The charge is constantly made that the "compensating duties" are so scattered through the woolen schedule that the maze is almost beyond the power of man to solve; there may be some truth in that. These duties are in some cases "per pound" and in others "per square yard." Omitting reference to the latter, except to say that those for whose benefit they operate (mainly the carpet men) do not find time to discuss them now in their absorption in the effort for lower duties on wool, let us see how the "pound duties" might be grouped intelligently in the Payne bill as it left the House with a duty on tops included. Using the numbers therein given to the paragraphs, and beginning after 370, the changed paragraphs could read:

"371. The duty per pound on manufactures composed wholly or in part of wool compensating for the duty on wool shall be a number of times the duty imposed by this section on a pound of unwashed wool of the first class, as follows: On combed wool or tops valued at not more than 20 cents per pound, two and one-quarter times the said duty; valued at more than 20 cents per pound, three and one-third times the said duty. On yarns valued at not more than 30 cents per pound, two and one-half times the said duty; valued at more than 30 cents per pound, three and one-half times the said duty. On cloths, knit fabrics and all manufactures of every description, made wholly or in part of wool, not specially provided for in this section, valued at not more than 40 cents per pound, three times the said duty; valued at more than 40 cents per pound, four times the said duty. On blankets and flannels for underwear, valued at not more than 40 cents per pound, two times the said duty; on blankets valued at more than 40 cents and not more than 50 cents per pound, three times the said duty. On clothing, ready-made, and articles of wearing apparel of every description, wool hats, shawls whether knitted or woven, and knitted articles of every description, made up or manufactured wholly or in part; felts, not woven and not specially provided for in this section, four times the said duty.

"372. On combed wool or tops composed wholly or in part of

wool, in addition to the compensating duty imposed in this section (or in paragraph 371), if valued at not more than 20 cents per pound, 6 cents per pound; if valued at more than 20 cents per pound, 8 cents per pound; if bleached or dyed, 5 cents per pound additional.

"373. On yarns composed wholly or in part of wool, in addition to the compensating duty imposed in this section (or in paragraph 371), 40 per centum ad valorem.

"374. On cloths, knit fabrics, and all manufactures of every description made wholly or in part of wool, not specially provided for in this section, in addition to the compensating duty imposed in this section (or in paragraph 371), if valued at not more than 70 cents per pound, 50 per centum ad valorem; valued at more than 70 cents per pound, 55 per centum ad valorem

"375. On blankets and flannels for underwear composed wholly or in part of wool, in addition to the compensating duty imposed in this section (or in paragraph 371), if valued at not more than 40 cents per pound, 30 per centum ad valorem; if valued at more than 40 cents and not more than 50 cents per pound, 35 per centum ad valorem. On blankets over three yards in length, the same duties shall be paid as on cloths. Flannels composed wholly or in part of wool, valued at more than 50 cents per pound, shall be classified and pay the same duty as women's and children's dress goods, coat linings, Italian cloths and goods of similar character and description provided by this section.

"376. As now.

"377. As now.

"378. On clothing, ready-made, and articles of wearing apparel of every description, wool hats, shawls whether knitted or woven, and knitted articles of every description, made up or manufactured wholly or in part; felts not woven and not specially provided for in this section, composed wholly or in part of wool, in addition to the compensating duty imposed in this section (or in paragraph 371), 60 per centum ad valorem."

SOUNDNESS OF SYSTEM.

Crediting the statements—not of two witnesses—but of a long line of reputable business men for a half century, criticising, comparing and adding from their own knowledge, our legislators adopted and have continued a system of "compensating duties" with necessarily safe multiples which has persisted not as "a scheme of fostering conspirators," but as a sound reliable table of relations, with occasional modifications, but always in promotion of the manufacture in this country of woollen goods for our own consumption, made in main from wool raised here. While the changes have mainly been in encouragement of an enlarged share of home manufacture of finest goods, since the Centennial Exposition, it still remains true that the fear of

setting the safe limit too high operates to give the foreigner the extremely fine work.

Without undertaking a discussion of the wool question let me illustrate with the duty (compounded) on fine yarns, of which there are constant importations. From an exhaustive paper on file with the Committee on Ways and Means take extracts sufficient for our purpose, concerning the duties on fine worsted yarns. The duty on these is "three and one-half times the duty on unwashed wool of the first class" (equals 38½c.) "and 40 per cent ad valorem."

Considering material only, if bought by an English manufacturer in December, 1908, the cost to him was (from his own testimony) about 49½c. for wool of the fineness known as "64s quality," and for the finer, known as "70s quality," it was 53c.; adding the 38½c. we have on importing basis 88c. and 93½c.; at the same time the price of material to us, landed here, duty paid, was for 64s quality 87½c., and for 70s quality 90c., all reckoned on scoured basis for the material in a pound of tops (condition ready for spinning). The justness and accuracy of the compensating duty are evident; the fluctuations of the market may make it to be sometimes in our favor, and sometimes in favor of the foreigner. Look next at the 40 per cent, and remember that from the testimony of the Englishman it appears that wages in an American mill like ours are more than 225 per cent of the wages he pays; and in France, Germany, and Belgium wages are lower than in England. Taking, then, the respective costs here and abroad of the two fine qualities of tops, named above, making them into the fine counts of yarn known as number 40s 2 ply, 50s 2 ply and 60s 2 ply (the number being based on the 40 or 50 or 60 times 560 yards that make a pound of single yarn) we have: from quality 64s. put into 40s 2 ply, made in England and imported; material 49½c. plus making 15½c. plus the duty (38½c. and 40 per cent), which lands it here at \$1.30. Made in our mill, the same yarn costs for material, as above, 87½c. plus making, 38c., or \$1.25. Applying same process to 50s 2 ply and 60s 2 ply, or, as they are known in this country, 2-50s and 2-60s, we have cost imported \$1.33, made here \$1.30 for 2-50s, and for 2-60s, imported \$1.37, and if made here \$1.37. The margin declines from 4½c. on 2-40s to 3c. on 2-50s and vanishes at 2-60s. If the same yarns are made from the finer quality — "70s" — the comparison is:

	Made in England and Imported.	Made here.
2-40s landed.....	\$1.37	\$1.29
2-50s "	1.40	1.33
2-60s "	1.44	1.40

BUYING YARNS IN EUROPE.

And again the margin declines till at a number a little finer than 60 it vanishes. That is, with the present high price of

wool, Americans can reap little or no profit on finer counts and a consequence is that when asked for 75s or 80s we advise our customers to import such yarns. Machinery specially adapted to spinning these high counts was put in our mill a few years ago in the expectation that the trial orders given us for awhile were forerunners of a regular trade, but the prospect was a mirage and has vanished, and the machinery is used for the ordinary counts. Moreover, a fatal weakness with the ad valorem form of duty is that when the foreign markets are low and prices sag the protective duty goes down, and its value decreases, with the result that when most needed the ad valorem duty is at its weakest point.

Some one has tersely said that "if a fence is equally good throughout, its chief value lies in a strong top rail," and nobody has a more feeling appreciation of that truth than we, the American manufacturers, whose "top rail" rises and falls under ad valorem duties with changes in value in foreign markets. What we prove in the matter of fine yarns we believe the weavers can prove as to fine goods, notwithstanding the statements made to the contrary by the unknowing and unpractical.

The presence in Europe at this moment of one of our largest and best customers, contracting for yarns of so high counts that they cannot be profitably made here, is added proof of the truth of these statements.

Class II Wools. The contention that these wools are, and have been, the exclusive materials of worsted manufacture is not ingenious. When, about 1855, the first combing machines were brought here all goods were being made of carded yarn. Some of us remember the little flocks of our grandfathers that gave the fleeces which, carded at a nearby flour mill or saw mill having a "carding machine," furnished the material for yarn hand-spun by the women of the family for mixing with the yarn from flax to make the "linsey-woolsey" for all wear except on state occasions when the blue broadcloth with brass buttons went on show. The flocks were merinos or Leicesters (Blakewells) or crossbreds. But all woolenwear was made from carded yarn, in which any and all of these qualities of wool were used. The machine comb (the Lister) could only use the long wool of the Leicester and similar kinds, which then and for half a century thereafter were selected fleece by fleece by a man educated to that business and brought a higher price per pound than what was left or "rejected." So far from regarding the leaving of the shorter fleeces as a favor to them, as makers of carded yarn, were the buyers of such wools that even within the memory of the writer they have been known to protest strenuously at the "going through" piles of wool by the man from combing mills, claiming that they wanted the wool, combing fleeces and all, for the kinds of goods they were making of carded yarn.

Within a decade of the introduction of the combing machine

the classes of wool as since known in our tariff acts were fixed, and, although several times it has been proposed to class on the basis of the "use" for which a given kind of wool is wanted or fitted, investigation invariably resulted in approving for proper and safe collection of duties the basis of "race" or "blood." So that Class II was made to include the wools of certain "blood" specified and kindred combing types. They were open then, as always since, to the maker of carded yarns, if he made goods in which they had a place, and if he would pay the price. As they were wholly of British or Canadian origin and practically no wools of the kind were ever shorn unwashed the duty was placed on the washed wool. With full knowledge and consent of intelligent wool growers the effort was made to develop here a promising industry. The worsted trade has but lately finished its first half-century in this country, and the results seem to justify the wisdom and give luster to the patriotism of the framers of the classification.

The introduction of the Noble comb and later of the Heilmann (called French) comb has made the comb a rival purchaser with the card for all varieties of wool, to the finest, and all lengths, to the shortest, and this has gone on until the entire amount of Class II wool imported in any year for special "lustrous" purposes (as it is) is of so little relative importance that it is not enough to supply the annual demand for wool of any one of many of our large mills. Meantime the comb has continued the readiest purchaser at the highest price for an increasing share of our clip which has been bred more and more to meet the demand for wool good for combing. And so well has the intelligent grower continued to appreciate and meet the situation that he has not in all the past half-century started or joined the cry about "wools of Class II." And receiving as he is to-day 30 cents per pound and upward at the farm for the wools that are nearest like Class II wools, he is not adding anything to the clamor raised about the matter.

CARDED WOOL MEN'S NEEDS.

The complainants in the present instance are the carded yarn-makers, who are astonished that "washed wools of Class II" do not pay double duty, and yet confess in the same breath that it is not wool of that kind that they are concerned about, but something in Class I of which they are "unjustly deprived," and various "substitutes" which they work with or instead of wool into their "all-wool" goods.

And this leads to consideration of the claim that the carded-yarn industry needs something in the way of wool that most directly competes with our so-called "Territory wool," and is now shut out by the duty which, compounded with the manufacturer's ad valorem rate and even sometimes alone, presents such a shocking spectacle of percentages. Two things may be

noted: one is that no tariff law we can pass will give *them* any first claim on the "short, heavy wools" paying the "outrageous duty," for the reason that they are and will continue to be the principal feeders to the consumption of the thousands of French combs of Belgium, Germany, France, Spain, Austria, Russia, Italy, and England, whence they appear here in the forms of yarns and goods that effectually prevent any American monopoly of the American market; and the other noteworthy thing is that our combs will also stand in line as customers when it pays to import such wools. Can we use them? Herewith are samples: (A) of a lot of 50,000 pounds of Territory tags, (B) of the tops made from them, (C) of the noils made in combing. These show conclusively that even the Noble comb (which did this work) can handle these short, heavy wools well enough. How far the present duty goes in preventing their importation can be shown by testimony of those who, after experiments in the first year under the Wilson tariff, with wool free, abandoned such importation and returned to their former use of what is known as "wools suitable for America."

And these, as all the other kinds we have considered, and indeed all wools of the world, are open to the carded yarn man if he is making goods that require them, and if he will pay what other customers must pay for them. His favorite contention that an "ad valorem" duty would bring them within his reach has the double weakness that it would in no wise remove the competition of others who now use them, and further that an "ad valorem" duty on wool cannot possibly be fairly and justly collected. This was proven so thoroughly to the Committee on Ways and Means that Chairman Payne summarized the situation in an epigram, "An ad valorem duty on wool is a very beautiful thing till you start to collect it." As to their grievances about "prohibitive duties" on the substitutes whose loss, Mr. Dale tells Mr. Dolliver, reduces us to a state of "breech-clouts" or forces the use of cotton, one may say the cotton horn of the dilemma is the less serious of the two certainly, and many, perhaps most, people are well content to wear cotton in many forms *if it is not sold to them as wool*. And the other alternative is endurable, perhaps, also rather than the swindle of buying some kinds of "substitutes" as *all wool*.

IMPORTING FOREIGN BY-PRODUCTS.

The maker of carded yarn is asking through the innocent Mr. Dolliver and others that he may import the by-products of foreign combs, foreign drawing frames, foreign roving frames, and foreign spinning frames on his own terms, on the pretence that the domestic producer of these articles forces the purchase of them by the carded yarn man at the worsted man's own price. When one considers that the carded yarn man is the only possible customer of such part of these products as is sold, the spectacle of

him trembling in the grasp of a merchant who must sell to him, or export (as he did in 1908) is such a phenomenal occurrence in so great contrast to the ordinary customs of trade as might well upset the gravity of Dundreary. The maker of noils who has paid the same duty on the wool in them as on the wool in the tops, from which they are combed, has rarely been asked in tariff making for his opinion, seriously, as to the proper duty on noils. And if the present duty were cut in half, the resulting effect on the price of his tops would be less than the variation in the market price of the same, sometimes, in a single week. Roving waste and slubbing waste are generally put back with scoured wool and worked again through his cards and combs: the exception is mostly in the case where a carded yarn man, looking for something *cleaner* than any wool he can get from his own machinery, buys "slubbing waste," "roving waste" or "double combed" noils to fill the gap. What he is really after now is a cheaper "something" than he can get from straight domestic wool, or foreign wool that has paid its full duty; and his present circuitous method of getting at the matter is one of the most pitiable exhibitions of mendicancy ever seen at the time and place of tariff making.

At every turn he finds the wool grower on guard for protection of his own interests, and so acting, perhaps unknowingly, in the interest of the American people in being served with "straight goods" and a "square deal" in woolsens. For it must be remembered that "worsted," not by virtue of superior honesty of the makers, but from the nature of the machinery involved, *must* be *really wool*, and not something that once was on a sheep's back. It would be a highly interesting table that would show how much real wool and what proportion of "substitutes" goes into the goods that the carded wool man now mercifully furnishes to save us from a return to the "breech-clout" age; and a map painted white and black in the prevalent fashion, that would show us where are chiefly sold the so-called "all wool" goods made partly or entirely of "substitutes" might be equally instructive, especially if we should find, as we probably would, that the black portion showed the markets to be the villages and settlements far away from the large cities — the places where the sons of the soil equip themselves.

SPECIFIC DUTY BEARS UNEQUALLY.

Every one familiar with the facts must acknowledge promptly that any specific duty on "wool in grease" bears unequally upon the various products: but it is not true that it divides wool buyers into classes, giving any one class what another may not have, at the same price, if he will pay it. And all the schemes of levying duty on "wool in the grease" on the basis of shrinkage, scoured yield, value, or the like, are futile for the reason that they can be readily shown to be impossible in their execution.

The project for which Mr. Dolliver has been deluded into the position of godfather, of assessing duty on the basis of the "amount of wool fiber" in any given article, will not be seriously considered when once account is taken of the fact that every fiber of all the "substitutes" (shoddy included) will survive the operation that removes everything save wool: the result would be no better state of affairs than now obtains, while opening the door to new schemes for defrauding the customs, possibly. But, as said early in this discussion, there is something new possible in the way of "dividing lines" for Mr. Dolliver to consider, and with the aid of Mr. Dale to investigate (the experience of Mr. Edward A. Greene not having made him competent, probably); of all the cited examples of spectacular percentages, none equals what would be shown if it were possible to fix exactly the amount of "shoddy" in a piece of cloth, and applying the rate of duty provided for the cloth to the value of its shoddy component, turn the full light of day on the "horrid spectacle" of appalling percentage. But as this will occur *always* and *only* in a carded yarn, which any novice can be taught in a few minutes to distinguish from a worsted yarn, a new dividing line might be made between goods containing worsted yarns and those made partly or wholly of carded yarn, and a new paragraph be framed reducing the duty on the latter to a level with the duty on the former, based on the value of the respective materials. When Mr. Dolliver has worked that out his promised list of amendments will have a fitting climax; but once this becomes law his clients will soon be permanently retired to a position more remote from active wool manufacturing than that now occupied by either Mr. Greene or Mr. Dale.

If we are to have a tariff commission, let it begin its work with a jaunt across the Atlantic to find out why England, Germany, Italy, Spain, and France have only specific duties in their tariffs, and why we alone, of all civilized countries, still adhere to the antiquated ad valorem form, so alluring in theory, so woefully lame in operation.

WOOL FIBER MANUFACTURERS.

THE National Association of Wool Fiber Manufacturers was organized at a meeting held at Young's Hotel, Boston, March 13. It is composed of certain manufacturers of shoddies, wool extracts, etc. The object of the association is stated to be "to protect the mutual interests, foster and encourage the industry and remedy existing abuses, also to disseminate information for the better understanding of their manufactured products on the part of the consumer." The following is the list of officers:

President, Bradley M. Rockwood, treasurer of the Norfolk Woolen Company, Franklin, Mass.; vice-presidents, Charles Taylor, of the Collings-Taylor Company, Cleveland, O., and Charles J. Basch, of the Basch-Greenfield Company, Passaic, N.J.; secretary and treasurer, Fred Rawitser, of Fred & Wm. Rawitser, South Acton, Mass.; directors, J. S. Cordingley, of W. S. Cordingley & Son, Newton Lower Falls, Mass.; T. H. Gray, of T. H. Gray & Company, Hyde Park, Mass.; H. Carleton Slack, of W. H. H. Slack & Brother, and the officers *ex-officio*.

CARDED WOOLEN ASSOCIATION.

A NEW body to be known as the Association of Carded Woolen Manufacturers was organized at the Murray Hill Hotel in New York on May 21 with these officers: President, Edward Moir of the Crown Mills, Marcellus, N.Y.; Vice-president, Gordon Dobson, President of the Maine Woolen Manufacturers' Association; Secretary, Arthur Wheelock of the Stanley Woolen Company, Uxbridge, Mass.; and Treasurer, Angus Park of the Airlie Mills, Hanover, Conn., and the Assawaga Company, Dayville, Conn. These officers form the Board of Directors with the addition of Robert Bleakie, of the Webster Woolen Company, Sabattus, Me.; John Houston, of the Piscataquis Woolen Company, Guilford, Me.; H. J. Hamill of the Hamill Spinning Company, Philadelphia; and Jonathan Ring, of Jonathan Ring & Son of Philadelphia.

The constitution of the new association provides for two classes of members — active and associate, the former consisting of carded wool manufacturers who will pay \$25 a year in dues and the latter, representatives of selling agencies, whose annual dues are to be \$10. It is stated that the purpose of the new organization is to work for "the equalization of duties on raw material." The headquarters are to be in the Old South Building, Boston. A tariff committee has been authorized by the new association for further work before Congress. This committee is made up of Edward Moir, Gordon Dobson, Hugh J. Hamill, Jonathan Ring, H. G. Niles, Jr., of the South Bend Woolen Company, South Bend, Ind., William J. Dickey, Jr., of W. J. Dickey & Sons, Oella, Md., and R. T. Pilling of the Kiamensi Woolen Company, Stanton, Del.

THE UNITED DRY GOODS COMPANIES.

THAT large new combination in the dry goods trade, The United Dry Goods Companies, chartered in Delaware, has made public some of the plans of its organizers. It comprises the Associated Merchants Company of New York and four large stores, Hahne & Co. of Newark, the Powers Mercantile Company of Minneapolis, the William Hengerer Company of Buffalo, and the Stewart Dry Goods Company of St. Louis.

The United Dry Goods Companies will be under the presidency of John Claflin, and his subordinates will be the present managers of the associated stores, who will keep their respective positions.

J. P. Morgan & Co. are responsible for financing the new concern. There will be \$51,000,000 in stock, of which \$20,000,000 will be issued immediately. It will consist of \$10,000,000 in 7 per cent cumulative preferred stock and \$10,000,000 common stock. The preferred stock has priority, both as to assets and dividends.

In the control of the new company there will be besides the four stores already named The H. B. Claflin Company, James McCreery & Co., and the O'Neill-Adams Company of New York, Stewart & Co. of Baltimore, and J. N. Adams & Co. of Buffalo.

The combination will purchase \$8,650,000 of the \$17,250,000 stock outstanding of the Associated Merchants Company, besides holding four-fifths of the common stock of C. G. Gunther's Sons in Fifth Avenue, New York.

The new concern purchases the assets of the stores at current market rates, with a deduction of 30 per cent. There is no allowance for good will.

THE CASE FOR THE WOOL GROWERS.

STATEMENT OF HON. RALPH D. COLE, REPRESENTATIVE
FROM OHIO.

THE wool growers of the country have found an earnest and well informed champion in the House in Hon. Ralph D. Cole, Representative of the Eighth District of Ohio. Mr. Cole has made an especial study of the wool-producing industry in which his district and his State have so great an interest. He is a

young man of industry, intellectual ability and force of character, one of the coming men of the House of Representatives.

His speech of March 25, 1909, on the wool and woollen schedule of the Payne tariff bill was listened to with unusual attention on both sides of the House, and was regarded as a most satisfactory presentation of the subject. Mr. Cole said :

Mr. Chairman, we have heard much in the last few days concerning the rule under which we are to revise the tariff. It is always best when we state our case to also state the law which applies to that case. Gentlemen on the other side insist that there is a provision in the Republican platform which declares in favor of revision downward. I have searched that instrument in vain for any such declaration. It is true that during the campaign utterances of that kind were made from the public platform and the stump, but if you will examine the document carefully, no such declaration is there made. I wish to read, for the enlightenment of the committee or the gentlemen on the opposite side, the rule under which the Republican party has undertaken to revise the protective tariff :

In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industry.

I propose to apply this rule of revision to Schedule K. We listened to an exhaustive treatment of Schedule K on yesterday, and it was denounced in the most vehement of language. I think that when proper study is given to the historical aspect of this schedule and applied to the bill under consideration, there is not a rate there that cannot be defended on just and equitable grounds. The committee, having in mind that provision of our platform, provided a schedule of 11 cents on wool in the grease, 22 cents on washed wool, and 33 cents on scoured wool. I desire to insert in the Record sections 362 and 365, as it forms the whole foundation of Schedule K.

Section 365 of the proposed bill reads as follows :

The duty upon all wools and hair of the first class shall be 11 cents per pound, and upon all wools or hair of the second class 12 cents per pound.

Section 362 provides :

The duty on wools of the first class which shall be imported washed shall be twice the amount of the duty to which they would be subjected if imported unwashed, and the duty on wools of the first and second classes which shall be imported scoured shall be three times the duty to which they would be subjected if imported unwashed.

That provision has been in the law from 1867 down to the present time, save only during the Wilson law. There was a tariff on wool from 1824 to 1894 ; for a period of seventy years

uninterruptedly it has been on the protected list. A gentleman remarked this morning that Henry Clay was one of the first and most eloquent champions of free trade in raw materials. I invite the gentleman's attention to the great measures of 1824, 1828, and 1842 in which Henry Clay was perhaps the greatest and most effective apostle of protection. He will find that in each of those measures what they declare now to be raw material was placed upon the protected list by the work of Henry Clay.

I know not what Mr. Clay may have stated in some of his public speeches, but I do know what has been incorporated in the public statutes as a result of his services in the Federal Congress. The demand of Democracy of 1894 was: Give us free raw material and we will capture the markets of the world. Instead the world captured our markets. Now we have in our law to-day what is known as a "compensatory duty" on wool. It is a complicated schedule, which I desire to explain. First, I wish to prove to the committee that the ad valorem duty provided in this schedule is for the protection of the manufacturer. Second, I propose to demonstrate that the compensatory duty, the specific duty, is for the benefit of the producer of wool. Keep in mind these two important distinctions: The ad valorem duty provided in Schedule K is for the benefit of the American manufacturer; the specific compensatory duty is for the benefit of the American wool producer. Now, sir, how has the American manufacturer been treated by this measure? In 1828 the average ad valorem duty on the manufactures of wool was 43 per cent. In 1890, under the McKinley law, it was 45 per cent. Under the Wilson bill it was over 40 per cent; in the Dingley bill it was about 43 per cent. So, the measure of protection accorded to the American manufacturer of wool to-day, in comparison with the Wilson bill, is only a margin of 3 per cent. If the Democrats established the rates in the Wilson bill as a revenue producer, we have only raised those rates 3 per cent in order to protect the American manufacturer. So there certainly can be no complaint that the protection of an ad valorem character given to the American manufacturer in the Payne bill is excessive. One-half the woolen manufactories in the country closed under the operation of the Wilson law. Three per cent above the closing-down margin is not an unfair measure of protection. I shall now take up the consideration of the compensatory duty.

I have an exhibit in here that I believe will demonstrate more clearly than any statement I could make in half an hour the reason for the specific compensatory duty.

PRINCIPLE OF THE COMPENSATORY DUTY.

What is the compensatory duty? It is an increasing rate of duty based upon shrinkage in the process of refining. A scientific schedule increases in proportion to the losses sustained in

the different stages of manufacture. It is based upon the fact that it takes 3 pounds of wool in the grease to produce 1 pound of scoured wool, and 2 pounds of wool in the grease to produce 1 pound of washed wool. Unless a pound of scoured wool is given three times the protection of a pound of wool in the grease, wool will be imported into this country in scoured condition, and just in proportion as the duty on scoured wool is below that figure will it reduce the duty or protection to the pound of wool in the grease.

First. This fact was established by an industrial commission which reported its findings to the United States Congress and became the basis of the law of 1867.

Second. Twenty-one States east of the Mississippi and north of the Ohio river, including Iowa and Kentucky produced, in 1908, 71,372,000 pounds of wool, which had a shrinkage of 48.2 per cent.

The ten Southern States in 1908 produced 7,849,000 pounds of wool, with a shrinkage of 40 per cent.

The remaining Western States in 1908 produced 190,916,000 pounds, with a shrinkage of 66.4 per cent.

Seventy per cent of the wool produced in the United States has a shrinkage of over 66 per cent. The average shrinkage of all wools produced in the United States is 61 per cent.

The percentage of the world's production of wool, with a shrinkage of over 66 per cent, is greater than it is in the United States.

Now, I desire to call the attention of the committee to the industrial report that was filed in the year 1866. At the head of that commission was one of the best authorities on commercial affairs in this country. Mr. Bigelow Shannon, of that commission, made the report upon which the compensatory duty has been fixed in the law. It was filed in the year 1866. He proved to the satisfaction of Congress that actual fact, that it takes 3 pounds of wool in the grease to produce 1 pound of scoured wool and 4 pounds of wool in the grease to produce 1 pound of cloth. Now, if that is a fact, we can afford to base legislation upon it. We ought not to base legislation upon anything of such serious character as this schedule, except on facts. It is facts we want in this committee, not fiction and oratory. It is said that the Speaker of this House is dictatorial. There is only one supreme czar in the realm of legislation, and that czar is a fact. I want to demonstrate this fact. When I have succeeded in that the rest of this schedule is a mere matter of mathematics. You will find upon investigation that 70 per cent of the wool produced in the United States shrinks 66 per cent when it is scoured. Seventy-five per cent of the world's wool shrinks 66 per cent in a scoured condition. In other words, it takes 3 pounds of raw wool to produce 1 pound of scoured wool; 4 pounds of raw wool to produce 1 pound of cloth.

I wish to insert in the Record a statement that was made by Senator Sherman, of Ohio, in the United States Senate in the debates of 1890, as follows :

Mr. SHERMAN. Mr. President, I will say a few words in regard to this point, because this same question will arise in many other items in these schedules as they come up.

It seems to me that the Senator from Kentucky overlooks the main facts in regard to these duplicate, triplicate, and quadruple rates upon woolen goods. He forgets — no: he does not forget it, because he is perfectly familiar with the fact — that it requires 2 pounds of ordinary wool as taken from the sheep's back to make a pound of what is called "washed wool." It takes 3 pounds of wool to make a pound of scoured wool, and 4 pounds of unwashed wool to make a pound of cloth. That is a fact. If the Senator disputes it, then we are all at sea; but that I believe is a conceded fact.

At any rate it is proved by every witness who came before the committee and is shown by the importers and manufacturers and all wool growers that it is a general simple rule which may vary in degree according to the character of the wool, the finer wool being better, that 2 pounds of unwashed wool are equivalent to 1 pound of washed wool; that 3 pounds of unwashed wool are equivalent to 1 pound of scoured wool, and that 4 pounds of unwashed wool are required to make 1 pound of cloth. That seems to be rather strange. One would wonder how this waste could occur, but it is so as a matter of fact. The grease in the unwashed wool is removed partially when it is washed, still more when it is scoured. It not only takes off all the dirt, but all but the fiber of the wool. Still in the next process of manufacture, when the wool is converted into cloth, there is a waste, so that all parties have agreed to a general rule that it requires 4 pounds of unwashed wool to make 1 pound of cloth.

That does not apply to all kinds of cloth. It only applies to the better wool. The general rule is that of good quality it requires 4 pounds of wool to produce a pound of cloth, but it does not apply to all, because in certain articles they use other substitutes for wool to the extent that they use cotton in satinetts and in some form of goods. I am not a merchant or a manufacturer or anything of the kind, and I may confound these matters, but in many classes of goods made partly of wool there is cotton and in many there are other articles. In all carpets there are great varieties of substitutes. Therefore, the rule does not apply to those, but in all cloths of every kind whatever, it may be said that it requires 4 pounds of wool to make 1 pound of cloth.

That is the reason of this discrimination. In regard to these cheaper woollens that are provided for here at two and one-half times the rate, they are made mainly of cheap wools which bear a low rate of duty comparatively. The carpet wools are sometimes used more or less for this class of goods, and the inferior wools are used for that purpose. Still the endeavor was to equalize the number of pounds of wool that are required for a pound of cloth, because now we are dealing with cloth or woollens, the manufactured articles.

In 1890 the same facts that we expect to make the basis of the law of 1909 were recognized and made the basis for the McKinley law. I think there will be no disposition upon the part of gentlemen upon the floor of this House to deny the statement that was made by Senator Sherman in 1890.

Now there are only two ways in which we can judge and apply this rule laid down in the Republican platform. First, ascertain the elements of cost in the production of an article abroad, and

then ascertain the same elements here at home. That process is almost impossible. These gentlemen who have been upon this Committee on Ways and Means have found that it is next to impossible to get the necessary information from witnesses to ascertain the exact cost of an article produced in a foreign country. I have been endeavoring for the past six months to get some reports of a reliable character from South America and Australia relative to the exact cost of the production of wool in those countries. They are on their way from Honolulu to-day, but they are not here. However, they demonstrate the fact that I have already uttered.

The other method that we have of judging of the difference between the cost abroad and the cost at home is the commercial history of that product.

I wish to call the attention of the committee for a short time to the effect of the law of 1866 upon the wool industry of the United States. Before I enter upon that proposition I wish to make one statement in advance. Some gentlemen upon the floor of this House, especially upon the opposite side, have contended for an ad valorem duty upon wool. We had an ad valorem duty upon wool in 1846 under the Walker tariff law, an ad valorem duty of 30 per cent, and during that ten years, in which there was such amazing progress, as the gentleman from Missouri [Mr. Clark] has oftentimes said on the floor of this House, there was only 1,000,000 increase in the number of sheep, showing that an ad valorem duty, the same on wool as upon the finished product, is not sufficient to protect the American manufacturer, farmer, and producer of wool.

James G. Blaine is responsible for the statement that if this country had enforced a protective policy from 1850 to 1860, the Civil War could have been prosecuted upon a specie basis. I desire to insert in the Record the report of the Treasury in 1866 on the ad valorem principle, which formed the basis of the great law of 1866:

REPORT UPON THE RELATIONS OF FOREIGN TRADE TO DOMESTIC INDUSTRY
AND INTERNAL REVENUE.

[By Hon. Hugh McCulloch, Secretary of the Treasury.]

FEBRUARY, 1866.

Diversified industry is necessary to the prosperity of any nation. Great manufactories more than double the protective power of a country, adding to manual labor the vast results of machinery and of water and steam power.

No nation, except Great Britain, imports to the amount of 10 per cent of its consumption. The purchasing power of the people is measured by their productive power. It is proper, therefore, in the formulation of a tariff measure to consider its effect upon the question of diversified industry.

Our foreign trade, however, its advantages or disadvantages apart, is now undergoing a change which will certainly make it a worst foe to our home industry than it has ever been. This change had its origin in the ad valorem features of our recent tariff. The trade has for many years, therefore, been taking a shape which has now grown into formidable dimensions. The fac-

tories, workshops, and the workmen are now in Europe; the warehouses are in New York. Goods intended for the warehouse are invoiced at the factory cost, are entered at our custom-house at that price, the duties are largely diminished, and the evil of competition with cheap labor increased. The mischief of thus harboring a class of men whose business is to debauch or mislead our officers, to rob us of revenue and injure our domestic industry, is so apparent that they should have long since found a remedy.

These foreign agents cooperate constantly for the evasion of our revenue law. They pay inadequate taxes, they render no military service, they pay very little rent, their sympathies are all on the other side, and their business is to nullify laws pertaining to our commerce and our industries. There is no redeeming benefit to reconcile us to their presence and operation. If they realize fortunes here their money, instead of going to increase capital or aid enterprise here, is carried to Europe to swell the volume of capital there, which is employed in overwhelming our rising industry. No country in the world is afflicted with such a multitude of commercial parasites.

It is not only necessary that the duties upon imports should be so regulated as to prevent our ports of entry from being flooded with goods not imported by our merchants, with their full knowledge of the wants of the country, but commodities sent hither by foreign manufacturers and speculators, with the double purpose of realizing a profit upon our financial position and of overwhelming our domestic industry, that industry which suffers even when threatened, which we cannot afford to put in peril, much less to see overthrown, even for a year.

The experience we have had in this country of the bad working of the appraisement system as organized under existing laws and as carried out in our custom-houses should force upon us the adoption of the European methods of specific duties. No such abuses can be practised there as now disgrace our custom-houses and defraud our Public Treasury. There revenues are raised upon specific duties, not mainly, but almost altogether. The British tariff contains 382 specifics to 131 ad valorem duties. Belgium, which is one of the richest countries of Europe in proportion to its population, a country in which the various departments of civilized industry are best blended for their mutual advancement, has 330 specifics in her tariff to 66 ad valorem duties. Our tariff has 2439 ad valorem duties and 478 specifics. The Belgian tariff presents a feature well deserving the attention of our legislators and statesmen. It has a special schedule by which linens coming from France are charged with a specific duty until the quantity of 4,000,000 pounds weight has been imported. When the amount imported exceeds that quantity and does not exceed 6,000,000 pounds weight, the duty is increased upward of 50 per cent, and when the quantity exceeds 6,000,000 pounds weight all imported within the year is charged double the rate of the first 4,000,000 pounds. The flax manufactures of Belgium are one of the most important of its industries, and this careful and paternal Government has taken this method of saving their markets from being overwhelmed with French linens to the injury of their working classes.

Now, what was the effect of this law of 1866? In 1867 we produced 160,000,000 pounds of wool in the United States. In 1885, after seventeen or eighteen years of the application of this duty of 12½ cents upon a pound of wool in the grease, we produced 308,000,000, a total increase in the period of eighteen years of 148,000,000 pounds.

In the interest of accuracy I desire to put in the Record a statement of the rates of duty under the law of 1867 and the figures showing the wonderful progress during that time:

DUTY ON WOOL UNDER THE ACT OF MARCH 2, 1867.

CLASS 1. — CLOTHING WOOLS.

Value at place of exportation, excluding charges at such port.

Thirty-two cents or less, 10 cents per pound and 11 per cent ad valorem.

Above 32 cents, 12 cents per pound and 10 per cent ad valorem.

CLASS 2. — COMBING WOOLS.

Value 32 cents or less, 10 cents per pound and 11 per cent ad valorem.

Above 32 cents, 12 cents per pound and 10 per cent ad valorem.

Production of wool in the United States from 1867 to 1885.

YEAR.	Pounds.	Increase.	Decrease.
1867	160,000,000	.....
1868	168,000,000	8,000,000	
1869	180,000,000	12,000,000	
1870	162,000,000	.....	18,000,000
1871	160,000,000	.....	2,000,000
1872	150,000,000	.....	10,000,000
1873	158,000,000	8,000,000	
1874	170,000,000	12,000,000	
1875	181,000,000	11,000,000	
1876	192,000,000	11,000,000	
1877	200,000,000	8,000,000	
1878	208,250,000	8,250,000	
1879	211,000,000	2,750,000	
1880	232,500,000	21,500,000	
1881	240,000,000	7,500,000	
1882	272,000,000	32,000,000	
1883	290,000,000	18,000,000	
1884	300,000,000	10,000,000	
1885	308,000,000	8,000,000	

Total increase, 148,000,000 pounds.

Increase in number of sheep from 1867 to 1885, 10,974,857.

Increase in the production of wool in eighteen years, 90 per cent.

If the same rate of increase had continued until 1895, we would have produced sufficient wool to have supplied the demand of the American market. There was an increase of 25 per cent in the number of sheep in the United States during the last four years of the operation of the law of 1867.

I desire now to show the House what occurred in the year 1883 to this woolen schedule. The tariff was reduced to 10 cents a pound and the compensatory scheme continued. But in the center of that bill there was a provision inserted known as the "basket clause." That clause enabled the importer to bring broken tops into the United States for 10 cents a pound. I am going to show to the committee just exactly what a broken top is. There is a broken top [indicating] that came into the United States from 1883 to 1889 at a duty of 10 cents. The duty on the raw wool was 10 cents. It takes $3\frac{1}{2}$ pounds of raw wool to produce 1 pound of these broken tops [indicating]. The duty on these broken tops should have been at least 30 cents. But what

occurred? The foreign manufacturers of wool went into the business of manufacturing broken tops.

In 1883 there was about 1,300,000 pounds of broken tops imported into the United States; in 1889 there were 8,600,000 pounds of these broken tops shipped into the United States at 10 cents a pound, when it should have been at least 30 cents. It took the place of or displaced 30,000,000 pounds of the finest Ohio wool.

Now, gentlemen, I want you to remember that fact when we come to the consideration of the proposed schedule in the Payne bill. I want to call your attention to one other item that I think is dangerously close to the unprotected line. Now, in order for you to understand this question as I see it, I desire to give you an exhibit, a concrete illustration, of this specific compensatory duty. There are 3 pounds of wool in the grease [exhibiting], just as it comes from the back of the sheep in the State of Ohio. There it is [exhibiting] in the form of scoured wool. It is reduced to 1 pound, having a shrinkage of 66 $\frac{2}{3}$ per cent.

Now, suppose you only had to pay the same duty on that scoured wool that you had on this wool in the grease [exhibiting]. The scoured wool would escape paying a duty of 22 cents a pound. So, in order to protect wool in the grease, you are compelled to levy a duty on the scoured wool just in proportion to its shrinkage in the process of scouring. It takes three times as much of this wool in the grease as it does of this scoured wool to produce 33 cents of revenue, or it takes 3 $\frac{1}{4}$ pounds of this wool to produce 1 pound of this [exhibiting tops]; so you must have three and one-fourth times the protection for this [exhibiting tops] in order to protect this [exhibiting wool], and that protection is for the benefit of the producer of wool and not the manufacturer. It goes to the producer of wool, and unless you do have this higher schedule of protection in the ratio of the average shrinkage, you may as well have no protection for wool at all. That is the theory of the specific compensatory duty, and it has remained in the laws of the United States from 1866 down to the present time.

Now I desire to show to the committee the effect of the reduction of the tariff on wool in the grease 2 cents a pound in 1883, and also of this clause, which laid on broken tops a duty of 10 cents a pound.

In 1885 we produced 308,000,000 pounds; in 1889 we produced 265,000,000 pounds. In other words, under the provisions of the law which reduced the tariff below 11 cents the production ran down 43,000,000 pounds in a period of five years. My recollection does not run back to the campaign of 1888 in the State of Ohio, but I am told by General Keifer and men who figured in the campaign at that time that that loophole in the law of 1883 was the principal argument of that campaign, and the Republican party carried the State in that year more upon that one item than upon any other consideration.

I desire to have printed in the Record the following statement, which shows the decline under reduced duties :

FIRST CLASS — CLOTHING WOOLS.

[Act of March 3, 1883.]

Value at last port or place whence exported, excluding charges at such port :

	Cents.
Not exceeding 30 cents per pound.....	10
Over 30 cents per pound.....	12
Double duty on washed wools.	

SECOND CLASS — COMBING WOOLS.

Value at last port whence exported :

	Cents.
Not exceeding 30 cents per pound	10
Over 30 cents per pound.....	12

Results of the operation of the law of 1883.

PRODUCTION OF WOOL.

	Pounds.
1885.....	308,000,000
1886.....	302,000,000
1887.....	285,000,000
1888.....	269,000,000
1889.....	265,000,000

Total decrease 43,000,000

Above figures indicate a decrease of 17 per cent in five years.

	Number of sheep.
1885.....	50,360,000
1886.....	48,322,000
1887.....	44,759,000
1888.....	44,544,000
1889.....	42,599,000

Total decrease 7,761,000

Decrease of 16 per cent in five years.

Under the law of 1883 the courts held that broken tops should be admitted as waste, upon which a duty of 10 cents per pound had been levied. The following figures give the importations of wool under that clause :

YEAR.	Pounds.	Value.
1884.....	1,316,083	\$564,694
1885.....	700,231	287,254
1886.....	3,059,214	1,036,869
1887.....	4,834,636	1,843,823
1888.....	4,483,325	1,719,154
1889.....	8,662,209	3,447,201
1890.....	4,980,327	2,052,078

So the wool and sheep industry were shrinking rapidly in production when that sainted and beloved apostle of protection, William McKinley, appeared upon the scene and inserted in his

bill a provision for 11 cents a pound on wool of the first class and 12 cents on wool of the second class.

Now to show the effect of the law of 1890 upon the wool industry of the United States. In the year 1890 we only produced 276,000,000 pounds of wool, and in 1894 we produced 298,000,000 pounds. In a period of four years we had increased our production 22,000,000 pounds. These figures indicate an increase of 12 per cent during four years' operation of McKinley law.

[Act of October 1, 1890 — McKinley law.]

	Cents.
Class 1 per pound,	11
Double on washed, treble on scoured wool.	
Class 2..... “ “	12
Treble on scoured wool.	

PRODUCTION FROM 1890 TO 1894.

	Pounds.
1890	276,000,000
1891	285,000,000
1892	294,000,000
1893	303,000,000
1894	298,000,000

Increase in 1894 over 1890, 22,000,000 pounds.

These figures indicate an increase of 12 per cent under McKinley law.

	Number of sheep.
1891	43,431,000
1892	44,938,000
1893	47,273,000
1894	45,048,000

Total..... 180,690,000

Average per year, 45,172,500.

Then we come to the Wilson Act of 1894. The Wilson Act, as you all remember, placed wool on the free list. As a result of that, we came into competition with the wool from South America and the wool from Australia. Wool can be produced in those countries very much cheaper than it can in the United States, or in any other northern climate. The wool industry in Germany from 1875 to 1895 shrunk 45 per cent, because it had no protection against the cheap wools from South America and Australia. The wool industry in the United States cannot survive against the wool produced in the tropical and semi-tropical climates of South America, because the cost of labor and the cost of feed in the United States is an element which they do not have to contend with in those southern climates.

What was the effect of the law of 1894? In 1895 we produced 309,000,000 pounds of wool; in 1897, 259,000,000 pounds. So under the operation of the Wilson law, that law that was formed upon the theory of free raw material, there was a decrease in those three years of 50,000,000 pounds.

In 1895 the number of sheep in the United States was 42,000,000; in 1897, 36,000,000. That is the story of the wool

industry of the United States as it comes out from under the lack of protection of the Wilson bill.

The following tables will show the great decline under that law and great increase in importation:

Act of August 27, 1894 — Wilson bill.

	Pounds.
1895.....	309,000,000
1896.....	272,000,000
1897.....	259,000,000

Decrease in production, 50,000,000 pounds.

	Number of sheep.
1895.....	42,294,000
1896.....	38,298,000
1897.....	36,818,000

Total..... 117,410,000

Average per year, 39,136,000.

Importations under the Wilson bill for the years 1895, 1896, and 1897.

YEAR.	Duty.	Pounds.	Class.
1895.....	Free	105,821,000	} Wool in all forms.
1896.....	"	117,533,000	
1897.....	"	176,165,000	
1897.....	"	¹ 48,600,000	Wool in the grease.
Total		448,119,000	First.
1895.....	Free	12,400,000	Second.
1896.....	"	10,608,000	"
1897.....	"	34,897,000	"
1897.....	"	¹ 1,466,000	"
Total		59,371,000	
1895.....	Free	136,500,000	Third.
1896.....	"	96,661,000	"
1897.....	"	¹ 3,040,000	"
1897.....	"	107,834,000	"
Total		344,035,000	

¹ Scoured, 50 per cent added for shrinkage.

Total pounds of first-class wool imported for the above years ..	448,119,000
Total pounds of second-class wool imported for the above years, ..	59,371,000
Total pounds of third-class wool imported for the above years..	344,045,000
Total	851,535,000
Average per year	283,845,000

Now I am going to take up the Dingley law, framed in 1897, with a tariff of 11 cents placed on raw wool of the first class and 12 cents on wool of the second class, and your specific compensatory duties carried out to their logical conclusions. In 1898 we produced 266,000,000 pounds in the United States.

This year we produced 311,000,000 pounds, an increase in production of 44,000,000 pounds during the operation of the Dingley law. In 1898 there were 37,000,000 sheep in the United States. In 1908 there were 54,000,000, an increase of 17,000,000 in a period of eleven years under the operation of the Dingley law.

I have already demonstrated that under this provision in the law of 1867 that has been retained to the present time there has been a great increase in the wool and sheep industry of the United States. Let me make this further statement: If the law of 1867 had remained in full operation without any change until 1895, we would have been producing the entire consumption of the United States, which means about 650,000,000 pounds annually. But on account of the modification of 1883 and the destruction of 1894 it will take now probably a period of fifty years to recuperate the industry in the United States and place it on the footing where it can supply our demand.

I desire to put in the Record the following table, which tells the story of progress under the Dingley law.

[Act of July 27, 1897. — Dingley law.]

<i>Duties.</i>		Cents.
Class 1. Unwashed	per pound,	11
Washed wool, double duty; scoured, treble duty.		
Class 2. Washed or unwashed	“ “	12
Scoured wool, treble duty.		
		Pounds.
1898		266,700,000
1899		272,000,000
1900		288,600,000
1901		302,500,000
1902		316,300,000
1903		287,000,000
1904		291,700,000
1905		295,400,000
1906		298,900,000
1907		298,000,000
1908		311,000,000
Increase in production, 44,300,000 pounds.		
		Number of sheep.
1898		37,600,000
1899		39,000,000
1900		41,800,000
1901		59,700,000
1902		62,000,000
1903		63,900,000
1904		51,600,000
1905		45,000,000
1906		50,000,000
1907		53,000,000
Total		¹ 504,200,000
1908		² 54,600,000
Total		558,800,000
Average per year, 50,800,000.		

¹ The figures are as given in the Congressional Record. — Ed.

² Increase, 17,000,000.

Gentlemen will say that the protection goes to the manufacturer. I think I can demonstrate that the 11 cents protection on the pound of grease wool goes to the American farmer—the American producer of wool. I want to quote to you the prices in London and the prices in the United States from 1891 up to the present time, showing how the average difference in price was a little over 10 cents a pound, and showing that the 11 cents on that pound of wool in the grease goes to the American producer.

January, 1891, Port Phillip wool, which corresponds to but is slightly more valuable than Ohio XX, was quoted in the London market at 20 cents under the McKinley law and in New York at 34 cents, a difference of 14 cents in that year. The next year it was quoted in London at 19 cents and in the United States at 30 cents, which is a difference of 11 cents. In 1893 in Europe, 17 cents, in the United States, 24 cents. We had already begun to feel the effects of the Democratic victory of 1892.

Now, watch this remarkable effect on the price of wool. In the United States when the tariff of 1894 went into operation in 1895, Port Phillip was quoted in London at 17 cents, and Ohio XX in the United States at 17 cents—just exactly what it was in London, where two years before under the operation of the McKinley law, with protection of 11 cents, it had been 30 and 34 cents, showing that every penny that is levied upon wool in the grease goes to the American producer.

Watch again. When the Dingley bill went into effect in 1902, Port Phillip was quoted in London at 30 cents and in the United States at 28 cents. In 1905 Port Phillip was quoted in Europe at 25 cents, and in the United States at 36 cents. I shall insert these figures in the Record, showing that within a limit of prices of a cent and a cent and a half during the entire continuation of the McKinley law and the Dingley law the American farmer and producer of wool has received 10 and 11 cents more per pound than the European, South American, and Australian competitor. I also desire to insert a statement of Theodore Justice on this point:

Prices of wool corresponding in quality in England and the United States from 1890 to 1908.¹

MONTH AND YEAR.	Port Phillip.	Ohio XX.	Difference.
	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>
January, 1891	20	34	14
January, 1892	19	30	11
January, 1893	18	30	12
January, 1894	17	24	7
January, 1895	17	17	
January, 1896	17	17	
January, 1897	19	19	
January, 1898	21	29	8
January, 1899	21	28	7
January, 1901	17	28	11
July, 1902.....	20	27	7
July, 1903.....	24	34	10
April, 1904	23	34	11
July, 1905.....	25	36	11
July, 1906.....	25	34	9
April, 1907	26	35	9
October, 1908.....	23	33	10

Average price of Ohio fine washed wool under McKinley, Wilson, and Dingley laws.

	<i>Cents.</i>
McKinley law	31
Wilson law.....	19
Dingley law.....	30

THE EFFECTS OF FREE WOOL.

In Table A is a schedule of twelve leading grades of American wool, with the prices in the markets of Philadelphia, Boston, and New York on August 1, 1892, during the second year of the McKinley law, when that law was in full and undisturbed operation. In the next column are the prices in the same markets at this date, the second year of the Wilson-Gorman law. In the third column is the number of cents per pound decline caused by the removal of the McKinley duties. The average decline by the substitution of free trade for McKinley protection on wool has already been 42½ per cent, and prices are still falling. The average price of wool in London, for wool of the same kind and quality, from 1868 to 1894, was 51 per cent lower than in the protected markets of the United States during that time. This difference has now been overcome by the domestic decline and the foreign advance. The removal of protection, which caused American prices to fall, stimulated the London wool market, and the latter has been advancing during the period that American markets have been declining. The London prices for foreign wool of the same kind and quality as the domestic are shown in Table B. If it was not the removal of the McKinley duties which caused this decline in American wools when the markets of the world were advancing, what was it?

¹ Justice, Bateman & Co., circular, August 1, 1896.

TABLE A. — *American wool, Philadelphia and Boston prices.*

	Price August 1, 1892, Second Year of McKinley Law.	Price August 1, 1896, Second Year of Wil- son-Gorman Law.	Amount Per Pound Lower.
	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>
XX Ohio washed.....	29	17	12
Ohio medium washed.....	33	19½	13½
Ohio coarse washed (¾ blood).....	32½	18½	14
Ohio fine unwashed.....	20½	12	8½
Indiana and Missouri fine un- washed.....	19¼	11	8¼
Indiana and Missouri medium un- washed (¾ blood).....	25¼	14½	10¾
Indiana and Missouri coarse (¾ blood) unwashed.....	24¾	15	9¾
Oregon and Colorado fine, shrink 70 per cent.....	17	8	9
XX Ohio scoured.....	63	35	28
Ohio medium scoured.....	55	33	22
Ohio ¾ blood scoured.....	43	25	18
Oregon and Colorado fine scoured..	57	30	27

Average American decline in two years, 42½ per cent.

TABLE B. — *Foreign wool. London prices.*

	Price August 1, 1892, in London.	Price August 1, 1896, in London.	Higher.
	<i>Pence.</i>	<i>Pence.</i>	<i>Pence.</i>
Port Phillip greasy (similar to XX Ohio).....	11	11	
New Zealand and crossbred greasy (similar to Ohio medium).....	9½	10	½
English Shropshire hoggets (similar to Ohio ¾ blood).....	10¼	10½	¼
Cape grease (similar to territorial fine).....	6	7	1
Port Phillip scoured.....	22	22	
New Zealand crossbred scoured....	16	17½	1½
English Shropshire hogs.....	13½	14	½
Fine Cape scoured.....	15	17½	2½

Average London advance in two years, 9 per cent.

Now I think I have demonstrated three propositions beyond a possible doubt. First, that the ad valorem duty levied for the protection of American woolen manufacturers is not exorbitant, inasmuch as it is only three cents higher than that levied by the Wilson bill. Second, I think I have demonstrated the value of the specific compensatory duty, and that that duty does not go

to the American manufacturer, but does go to the American producer; and when they say that we are adding a protection of 110 to 120 per cent upon the American manufactures, they falsify the record and convict themselves of ignorance of the operation of the specific compensatory duty.

I have one further proposition to which I wish to call attention, and I have but a very short time. Under the present law we have placed a duty of 11 cents on this wool in the grease, 33 cents on the scoured wool. That is good so far, but there is a by-product of this process of manufacture that I feel is going very seriously to affect the wool industry of the United States, this loophole in the law of 1883. Now, let me explain. There is an article known as "tops" [exhibiting]. That is the very finest quality of wool. It is 24 karats fine. That item is admitted in the present schedule under a duty of 39 cents, three times the amount of wool in the grease from which it is made, and 6 cents additional. Here is an item of wool called "broken tops," and this slubbing waste is just as valuable when you get it in that condition as tops. The duty on that slubbing waste is 20 cents. There is a sample of tops made out of slubbing waste, and there is the regular article. [Exhibiting same.] No man can distinguish them. That comes in at 39 cents, and this comes in at 20, and with 1 cent additional you can put them in the same condition. Now that is the great objection that I have to Schedule K as it stands in the proposed bill at the present time.

There is only one safe method of levying a duty on wool, and that is in accordance with shrinkage in the process of refining. I desire to insert in the Record a statement of a prominent woolen manufacturer showing the amount of this shrinkage on 1000 pounds of wool. This statement was made to the members of the Committee on Ways and Means, and received the sanction of every manufacturer who appeared before the committee.

<i>Shrinkages.</i>	<i>Pounds.</i>
Wool to wash	1,000
Wool loss in wash (65 per cent)	650
Wool to cards	350
Wool loss in cards (1.35 per cent)	4 $\frac{1}{4}$
Off comb waste	345 $\frac{1}{4}$
	1 $\frac{1}{4}$
Wool to combs	344
Noils (17 per cent)	58 $\frac{1}{2}$
Tops to yarn (83 per cent)	285 $\frac{1}{2}$
Waste	14 $\frac{1}{4}$
Loss	14 $\frac{1}{4}$
	28 $\frac{1}{2}$
Amount of yarn	257

This statement demonstrates the necessity of the graduated scale. One thousand pounds of wool shrinks to 285½ pounds when reduced to tops and 257 pounds when reduced to yarn. This fact has been recognized for forty years and a great industry is based upon it.

The same principle applies with almost equal force in levying the duty upon the by-product of wool. If the duty on the by-product is fixed greatly below the rate which its corresponding commercial value would demand, the main product is converted into by-product and admitted to this country in competition with our own wool at the reduced rate. I desire to insert in the Record a comparison of commercial value of all the by-products with scoured wool of the first class, showing the rate of duty demanded to prevent dangerous competition.

Comparison of the commercial value of scoured wool with the by-products upon a basis of 33 cents duty on scoured wool and fixing duty on by-products accordingly.

KIND.	Comparative Value.	Dingley.	Payne.	Relative Duty.
		<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>
Scoured wool	100	33	33	33
Top waste	105	30	25	34
Roving waste	100	30	25	33
Slubbing waste	105	30	20	34
Ring waste	100	30	20	33
Garnetted waste	100	30	20	33
Shoddy	90	25	20	25
Noils	60	20	18	20
Wool extract	60	20	18	20
Yarn waste	60	20	18	20
Thread	60	20	18	20
Woolen rags	30	10	6	10
Mungo	20	10	6	6
Flocks	20	10	6	6

Tops are admitted under the provisions of Section 371, if made of first-class wool, at 39 cents; if made of second-class wool, at 42 cents. Slubbing waste, under the provisions of Section 368, is admitted under a duty of 20 cents per pound. It only costs 1 cent to transform slubbing waste into tops.

THE WOOLEN AND WORSTED TRADE OF BRADFORD IN 1908.

THE "Bradford Observer's" annual review of the business of that district is one of the most interesting and informing of the various reviews that come to this office. As it is issued on the

last day of each year, it is too late for notice in our December Bulletin, and for years it has been our custom to give considerable space to it in our March number. Owing to the necessity of presenting a full and complete history of the wool and woollens schedules in our various tariff acts, and the preparation of numerous statements relating to the present condition and necessities of the industry, made imperative by the pending tariff revision, we were unable to pay any attention to the Bradford report in that number. In order that there may be no break in the series of reports, although somewhat out of date, some extracts from the "Bradford Observer's" review which cover the main points of the current events for the year as there noticed are presented herewith.

After quoting from its report of the preceding year, the "Observer" says:

A worse year on the whole we have not had in the Bradford trade for a generation — not excepting 1900, which was so disastrous in certain quarters. Every branch of the wool textile trade, in every country, has felt the squeeze more or less in the year that is now passing away. And, of course, the experience has been by no means confined to the wool trade — every industry has suffered, and from the same original cause. It may be worth while, therefore, while the events are still fresh in our memories, that we should recall exactly what has happened in order that we may understand the lesson, if there be one for us. That there are periods of high prices and periods of low prices, and that these alternate with some show of regularity, everybody knows. But the causes of the rise and fall in prices are still shrouded in much obscurity. So little understood, at least, are these causes, that the cleverest and most experienced businessmen cannot predict the movement with any degree of certainty.

In the long run, of course, it is recognized that the law of supply and demand does work. Gradually increased supplies of any commodity in large consumption, produced over a period of years, do unquestionably bring down the price of that commodity. For many years prior to 1896 this was practically the case with wool. The world's wool production had grown and was growing by leaps and bounds, and over many years the price of wool, with occasional fluctuations, went steadily down. But there are so many other factors that tend to influence the market that, except over a long period of years, it is almost impossible to say exactly how supply and demand have affected prices. Indeed, sometimes experience almost suggests that the so-called law is no law at all. For even in the wool trade since 1895 have we not had years of increasing supplies, and yet with rising prices?

So difficult is it to formulate any simple and easily comprehended principle on this subject that the average man often takes refuge in beliefs that are not reasoned at all. Because for so long prices have been high, now they must come down: this surely is not argument. It is based, of course, upon experience; but it is a superstitious rather than a reasoned faith; and yet in the autumn of 1906 many men in the wool trade acted upon it and practically they had no other reason for so acting save, of course, the wish which was father to the thought. They wanted prices down; they thought they had been high long enough — and they burned their fingers. Remembering this, in January, 1908, was there any recognized reason why prices should tumble down within the next six months as they did? None whatever. What happened in America was that men lost faith in one another. Credit was destroyed. Wherever possible money was withdrawn from circulation and hoarded. The best firms found it impossible to get money. Even railways paying steady dividends could only pay their hands with a promise to pay. Hence stocks of produce and manufactured goods were thrust upon an unwilling market for realization. In the commerce of the world no man liveth unto himself. The sins of one nation inflict an injury on all the others. This panic spread first through America, and unquestionably revealed a good deal of unsoundness there. But although the panic was not followed by a similar panic in Europe, the monetary stringency and the downward impulse given to prices on the other side of the Atlantic were felt on this side, too — perhaps more acutely in Germany than in our own country.

When prices have been placed upon an inclined plane, greased by the fears of some and the desires of others, they have a way of acquiring momentum so that no one can tell exactly where or when they may stop. These landslides are not controllable. And in the first five months of this year the value of everything fell so tremendously that everybody must have lost money, and some very heavily. And yet the check to the downward movement came at a moment when the sky was dark enough — for May was the worst month in the year — and there was little to tempt the speculator.

Since the turn in May we have had a gradual and growing return of confidence. Business has increased, and it is seen that present prices, though not so low as they have been, are not so high as to stand in the way of trade. Indeed, the recovery of values has been out of all proportion greater than the apparent increase in the volume of trade, and in that sense cannot be said to be due to the improved demand.

What, then, about the future; will prices slump again? After an experience such as we have just gone through, the trade is naturally nervous. Confidence is a plant of slow growth, and it is quite possible that there may be fluctuations in prices before

they are again as steady as they were for some years. But, apart from political disturbances, there is no prospect of another slump such as occurred last year. It may as well be admitted that 8d. for 40's in May, 1908, was every bit as much a freak as was 7½d. in December, 1902. We have not accumulated supplies in spite of a year of bad trade, during which for a number of weeks short time was the rule, and for the whole of which consumption has been restricted. It was not excessive supplies but panic that knocked the bottom out of prices this year. There is, perhaps, no scarcity as yet, and there may be none felt for a year or two. For we are still in troubled waters. The spending power of the people here and in other countries is not what it was, nor will it be for some time to come. In some markets—notably the Far East—there are still heavy stocks of goods to be liquidated, and we ought to go slowly for a while and not endeavor to push more on to the markets of the world than they can assimilate. But when all this is remembered there is no room for pessimism. The world is going on; it is growing all the time.

WOOL CONSUMPTION ESTIMATE.

For Twelve Months Ended November (in 1000 Pounds).

	Import Wool Retained.	Home Grown Retained.	Deduct for Export.		Net Balance.
			Tops, Etc.	Yarn.	
1898	398,798	123,970	56,072	81,670	385,026
1899	370,357	119,416	62,072	87,690	340,011
1900	348,584	115,447	48,105	72,122	339,805
1901	400,812	118,379	62,607	56,956	399,628
1902	352,984	101,238	84,716	60,872	308,634
1903	314,176	97,385	89,729	70,442	251,390
1904	304,503	97,194	91,291	63,004	247,402
1905	340,146	91,932	99,276	45,152	287,650
1906	374,453	103,092	101,213	55,205	321,127
1907	429,386	97,883	103,827	63,522	359,920
1908	411,562	101,485	86,934	57,032	369,081

In estimating the quantity of raw wool represented in the third column by tops, noils, and waste, the method adopted has been to take the total value of these commodities exported, and, by simple rule-of-three calculation from the total value and quantity of import wool retained for home consumption, get the weight of average wool that may be supposed to correspond to the export of tops, etc.; but also, as this valuation includes cost of labor, 10 per cent has been deducted on this account to get the net wool.

As regards yarn, the method has been to take the total weight of export worsted yarn and woollen yarn (omitting the small "miscellaneous" item), deduct therefrom the total weight of import weaving yarn, and then translate this net weight of balance into raw wool by doubling it.

The "net balance" represents the weight of wool remaining for manufacturing.

Last year we had to note that the quantity of import sheep's wool "retained for consumption" was of record magnitude. Considering the variability of wool events in 1908, with its switchback suddenness of downs and ups, it is surprising, and also satisfactory, to note that the quantity retained this year comes so near to its predecessor that 1908 would itself have been the record year had it not been preceded by 1907.

WOOL.

The descent from a balloon in mid-air is always a dangerous and exciting business. If the parachute fails to act properly the consequences, as we unhappily know, may be horrible. It is now seven years since the balloon of wool prices began the ascent, and up to the close of last year it had maintained a fairly high average, occasionally dipping a little to give the spectators a better view, but only to soar again to what looked like a dangerous height. Exactly when prices would come down nobody could tell. That they must come down some day everybody was certain. And yet people got so used to the spectacle that latterly they had almost persuaded themselves into believing that because prices had been up so long they must needs stay up awhile longer. Business was good and was believed to be absolutely sound when the crisis came. And when it did come nobody recognized it as the long-predicted crisis. Yet in the eight months between October, 1907, and the middle of May, 1908, prices of tops — both merino and crossbred — dropped about as many pence per pound, the proportional drop being most pronounced in the case of 40's, which in September, 1907, were at 16½d., and in May last touched 8d.

For the English wool dealer the year has by no means been so disastrous as for the importers and topmakers. They were not caught with any excessively heavy stocks when the slump came. Most of them had had a fairly good selling time in September and October of 1907, and they, of course, bought little or nothing in 1908 until the clip time. Moreover, although everything they sold until May was "wrong," the actual drop in values of home-grown wools was not nearly so sharp as it was on the more speculative but similar article — New Zealand crossbreds. And happily for the stapler — who rarely enjoys any such good fortune — the London market was at its worst, and the position generally most dismal just before the clip buying commenced.

MOHAIR.

Mohair used to be regarded in "the good, old days" as a speculative article. The trade was in few hands, the value of the material was relatively high, and the quantity comparatively small, so that the movements in the market were apt to be much quicker and wider than was the case in the slow-going wool trade.

A glance at the tabular record of the prices of mohair month by month during the past year will serve to show that in the matter of fluctuations at least wool and mohair would seem to have changed places. And as a matter of fact, with the steady development of the mohair industry — a growth which has attracted little attention, but which is enormous — there has been an ever-increasing disposition for mohair to become less and less the sport of the speculator and adventurer. In that sense, therefore, it has become a safer trade, and yet it must be recorded that the year 1908 has been not only a quite abnormal year, a year in some respects without precedent, but it has been for those who have the handling of the raw material a bad if not absolutely a disastrous year.

In past years we had periods of depression when holders perhaps would not take the offers made, but at some price there was always a little business to be done. This year even the ordinary hand-to-mouth trade demand was frozen up at the source. Prices for several months in the year under such conditions were absolutely nominal.

As regards Turkey, the feature has been the rock-like firmness with which it has been held in Constantinople or by the growers. Gradually but surely the position of the grower in Asia Minor is becoming less precarious and his property more secure. In years to come this is likely to be reflected in larger flocks and more care in breeding, or at any rate in the culling and handling of the goats. For the present the result is that the peasant, being somewhat more prosperous, can hang on for his price. And the local dealer or merchant is also the better able to hold. Hence although for really fine hair there has been a good and even keen demand nearly all the year through, the imports of Turkey are in round figures 25,000 bags short of the previous year.

The new Cape clip is an improvement on the last. For it must be remembered that the clip of 1907 was not a good one. It contained a great proportion of strong-haired bales, and much of the wool was stained and of poor color.

The 1908 summer firsts have more quality and the winter hair is softer and longer. But so far the prices of both on "the other side" are above parity with anything that can be made in this market.

The future of mohair is by no means clear. Never before have such perfect and distinguished dress goods been made from mohair as are being produced at the present day. But these are not for the million. They require the finest quality of hair, the utmost care in every stage of manufacture, and are consequently expensive. And in the heavy weights for men's wear there has been of late years a steady development of originality in design and coloring. But what with mercerized cotton and artificial silk, the old-fashioned braid trade has fared badly and must, we fear, be written off as a bad asset. Nor does the mohair plush trade look as if it were a vigorous and expanding branch of the

tree. Nothing has yet been discovered to equal or even approach mohair as a material for skirt-edging and for such use the stronger the hair the better. But the exceptionally fine at one end of the scale and the exceptionally strong at the other only account for less than the half of any clip. The bulk is fair to average — whether it be Turkey or Cape — and the trade is badly in need of a new outlet for the ever-increasing weight of medium to good hair.

YARNS.

It will probably be with a sigh of relief that most spinners and yarn merchants in the Bradford district greet the end of 1908. With the beginning of a new year there is always the hope that it will bring something good; and, without being accused of too sanguine a view, we may be pretty sure that it will be an improvement on the year that is just past. Whether 1908 was as disastrous as 1900 is a question. The latter year saw a sensational drop in prices — entailing heavy losses on holders of stocks of wool, tops, or yarn — and ruined a certain number of people. But whilst 1908 cannot show anything quite so marked, it may be that, on the whole, the result has been but little better.

It is now high time that a definite arrangement was formulated whereby any one who wishes to insure against a possible rise in price — by placing a contract — should be legally bound by such conditions as will make the evasion of responsibility impossible.

There has already been established a sort of half-understanding that contracts should be taken up within six months; but the matter is too important to be left in any undecided state, and a movement towards more definite terms is long overdue.

The simplest plan would be for the Chamber of Commerce to grasp the nettle and undertake to supply to purchasers printed "Acceptation of Contract" forms — which should contain, at the foot of the space in which details of the contract were to be filled in, some such wording as follows:

This contract is accepted subject to the Bradford Chamber of Commerce rules, viz.:

1. That all contracts be taken up within eight months of the date on which they are placed; failing which,
2. That 5 per cent interest shall be charged after eight months and up to twelve months upon the balance of the contracts not taken up.
3. That after twelve months interest at the rate of 10 per cent per annum shall be charged upon all undelivered portions of such contracts.

It is, of course, a matter of opinion as to whether eight months is the best length of time in which to require contracts

to be taken up. Many people would incline to a shorter term, and some people would want a year or nine months, but the Chamber of Commerce should be able to fix a term which on the whole would be equitable all round. There is no other trade of large dimensions in which such absurd and needless laxity prevails.

Turning now to a general view of the yarn trade during 1908, we regret that we cannot say that it has been singularly satisfactory. The course of events for the past two years has been unfavorable in curiously opposite ways. Going back to the autumn of 1906, there was a good deal of heavy selling abroad by people from this district — both in yarn and tops — at prices which were based on the expectation of things being easier. In place of this, prices stiffened at the end of 1906, and went up further in 1907 — when the unhappy vendors were obliged to deliver, and in many cases had to buy at considerably higher prices than they had to invoice the goods at. Consequently, for many Bradford houses, the large autumn orders of 1906 were anything but ultimate blessings. Again, in 1907 there was a good deal more selling — and at high prices.

The course of trade during the year has been, generally speaking, as follows: In January the cloud caused by the American financial crisis was still hanging over us. People said that with the bank rate so extremely high trade was naturally depressed, but that as soon as money matters were normal trade would improve. But month after month went on, and trade remained flat in spite of the bank rate coming down, and people lost heart. In May-June some very low prices were accepted, in view of a possible further drop in values. It soon appeared, however, that there was no real justification for these low prices — and it was a case of “sell in haste and repent at leisure.” By July the market had fully regained its tone — and it kept fairly steady until September — when prices drooped somewhat, but not as low as they had been in May-June.

All this time trade had been dragging — both at home and abroad — and for months orders had been of the hand-to-mouth description. People were afraid of repeating the mistake of 1907, and finding themselves saddled with goods at a high price. But towards the close of the year the increased prices made for wool at the London sales revived the general confidence, and in November-December there was a good deal of buying — though we fear a good part of it was speculative. At all events here we are, at the end of the year — with prices, generally speaking, from 5 to 10 per cent higher than they were a few months ago, and business in a healthier state than it has been for some time.

There has been a considerable quantity of cotton and wool twists — technically known as Cordons — used during this year, but with wool on a lower basis these mixed goods will probably not be quite so much in demand. The carpet yarn trade has

also dragged, and in this industry the complaints about leaving contracts open long past a reasonable delivery time have been especially bitter.

Although the production of mohair yarns has been on a considerably smaller scale than last year there has not been in this branch such a serious reduction in the volume of trade nor nearly so serious a slump in prices as has been the case with worsteds. At the close of 1907 most spinners were heavily sold at moderately high prices, and hence very little business was done in the new year for several months, and the prices quoted for the first few months are often practically nominal.

Trade in alpacas has been queer. Spinners, merchants here, and merchants abroad, were all so heavily under contract at the beginning of the year that practically no business could be done for nearly six months. At last, in May, the price dropped 2s. a gross all at once, with a view of forcing a trade, and on the lower basis some business was done; but as the raw material kept high spinners had to put up their prices again.

One most noticeable feature latterly has been the sudden and great rise in the price of camel hair and its scarcity. Of course — in comparison with crossbreds and botany, or mohair — the trade in camel hair is a small one. A good deal of the low kind is used for belting, and the hosiery and fancy trade uses a little of the finer qualities. But it now looks likely to have a certain run for costume cloths or dress goods — and as the demand increases so does the price, whilst the available quantity of raw material has steadily diminished.

We may congratulate ourselves upon one fact, which is somewhat striking when one considers how bad trade has been — and that is, we have had comparatively few failures. That the past months have severely tried many houses must undoubtedly be true — and many balance-sheets will convey anything but joy to the peruser as he looks to see the results for this year's work. But we have happily been free from anything of the nature of a crisis, and we may hope that with the advent of a new year we are at the beginning of another time of comparative prosperity.

PIECES.

In the piece trade 1908 will be remembered ruefully for many a long year. Not for a generation probably has the trade experienced a worse time, and there is scarcely a manufacturer or merchant in Bradford but has reason fervently to pray that he may never see such another. Our review of last year gave an inkling of what was in store.

The signs of a serious industrial crisis were plainly to be read in the situation as it then existed, but so strong was the belief that the symptoms were merely those of a temporary financial embarrassment having its origin in the operations of gamblers on the Stock Exchange that people found the courage to buy in

January on the assumption that prices were then at the bottom. Their error was speedily brought home to them, but its full extent was not revealed until May, by which time values had gone 10 or 15 per cent lower; and when the bottom had actually been reached prices were kept there for a long time by the pressure of empty looms and the hunger of manufacturers for work. Up to the end of March machinery was kept running on orders remaining over from the previous year, but from that time to the end of August or the beginning of September complete stagnation reigned, and the manufacturer's sole occupation was the difficult task of inducing customers to take up their purchases.

The question of the evasion of contracts, always a serious difficulty in a falling market, has been more than usually acute this year. At this moment merchants and manufacturers have on hand stocks of thousands of pieces awaiting the convenience of customers, many of which will probably never get delivered at all. Speaking from a manufacturer's point of view, Sir Frederick Fison recently made the suggestion that the question should be taken up by the Bradford Chamber of Commerce, and it is certain that only by united action will any improvement be effected. Two years ago the Chamber of Commerce was called upon to find a remedy for the same evil in the mohair yarn trade, and a set of regulations drawn up for that purpose has produced most beneficial results. It would not be difficult to devise similar rules for the piece trade, and once the trade had realized their advantage it would probably not be long before the power which could be exerted through combination would be invoked to reform another crying evil, namely, the excessive credits permitted in certain markets to which Bradford goods are sold.

As regards the styles that have prevailed during the past year, the trade of the opening months, which, as far as the manufacturing was concerned, belonged really to the previous year, ran largely on amazons and the new single-warp mohairs. Cheviots and tweeds fared wretchedly after the slump. There was no demand at all for them and ultimately scarcely any selling price. Since then better-class tweeds have revived somewhat, but they must be exceedingly smart in design and color to attract the notice of buyers. The autumn trade was very small indeed, and was mostly in heavy costume cloths. Besides their run in the dress trade, mohairs sold fairly well in the spring for cloakings. There is a growing business done in Bradford in fine Botany shirtings, which have been taken up by some of the best manufacturers and transformed almost out of all likeness to their prototype, the old style wool shirting. Made of fine, hard-twisted yarn, they shrink very little, and the designs are exquisite. Botany linings have done very well in the home trade this year, though the production has not come up to the level of the two previous years. It has been largely a colored trade, and the proportion of fancies has been somewhat less than usual. After

last year's boom cotton Italians show a pitiable collapse. They have been doubly hit — first by the depression in the ready-made trade, and, secondly, by the enormous shrinkage of the export demand. Botany linings have also suffered heavily on the export side, and so have Venetians.

For next spring the fashion is running strongly on soft clinging satin faced materials introduced by the vogue of the *Directoire* costume. It is not likely that the *Directoire* style will establish itself here in the extreme form in which it has appeared in Paris, but some adaptation or modification of it will certainly be the prevailing fashion next season. In spite of the advantage which the French have in their mule spun yarns, Bradford makers are showing themselves well able to compete with them in this line, and in some cloths — notably wool and silk mixtures — they are even beating the French on their own ground.

For proofs of Bradford's enterprise one need only refer to the Botany shirtings already mentioned and to the marvelous development of cotton, which has quite put Lancashire into the shade. Again, in the style introduced by the *Directoire* costume Bradford manufacturers are doing excellent work, and beautiful fabrics are being turned out both in Botany and silk and Botany and mohair, as well as in cheaper makes. This development has been considerably assisted by two new finishes devised by the Bradford Dyers' Association, Limited — the "Wulmella," which gives crossbred wool something of the soft handle of Botany, and the "Suedena," which is applied to either material.

Single warp mohairs, which did so well last spring, still hold their ground, and are being made for the coming season both in plain colors and in shots. The last few months have witnessed a revival in such fabrics as serges, chevots, and etamenes, which dropped out when wool was so high. Mercerized erepons, with cotton warp and mohair weft, have sold fairly well for export, but they have not yet established themselves in the home trade to any extent.

As regards the outlook for the new year, the one thing certain is that it cannot possibly be worse than the old. That it will be in any way a good year is exceedingly unlikely, for the process of liquidation after a financial crisis, which used to be short and sharp and was accompanied by many failures, has of late years shown a tendency to drag itself out gradually over a long period, with less disastrous results to individuals perhaps, but with no less loss to the community as a whole. Buying for the spring started a month or six weeks later than usual, and deliveries will be correspondingly late. Further, the buying has been done very cautiously, and orders are small. At the same time stocks in the home trade are much lighter than they were a year ago, and any improvement in the purchasing power of the people will be felt by the home trade immediately. Another comforting fact is that

there can, of course, be no such disastrous fall in prices as the past year has witnessed.

TECHNICAL EDUCATION AND INDUSTRIAL EFFICIENCY.

NEW engineering laboratories and workshops erected at the Heriot-Watt College, Edinburgh, Scotland, were formally opened September last, the formal address being delivered by Lord Rosebery who, speaking on technical education, the lesson learned from Germany and the work accomplished by the Heriot-Watt College working in connection with the university, said in part :

I thank you heartily, my Lord Provost, that you have done to one who is now one of your senior citizens the honor of asking him to declare this institution open, because I confidently reckon upon this — that this institution, which has long been one of the most valuable features of Edinburgh life, will, with its new equipment and premises, increasingly continue to be so in the future. It was, indeed, the first institution founded in Great Britain for the express purpose of giving evening instruction to artisans, and it is the parent of all mechanics' institutes and polytechnics, which now are so rife and so much used throughout the country. In 1851, with money raised to the immortal memory of James Watt, the institute was enabled to buy the premises that they leased in Adams square, and from that time it became the Watt Institute. In 1873 it moved to Chamber street, where it still is, and in 1885 it reached the real ripening of its development by a scheme of amalgamation with Heriot's Hospital, and so it became the Heriot-Watt College. Now as you, my Lord Provost, have reminded us, it numbers its students by the thousand. We must note also this, that in its progress it constantly enlarged the scope of its instruction. It began by only teaching the principles of mechanics and chemistry and other branches of science of practical application to the special trades in the city, but as time progressed, and as the needs of the community became more apparent, so also did the range of this institution, and then it aimed at supplying the industrial classes, so far as possible, with what the university furnished to the learned professions. Now it works with the university — perhaps the wisest part of the feature of all its organization — and it gives what is practically extra-mural teaching, and while the training of its evening classes corresponds to that given in the trade and commercial schools of Germany the day college is doing work which is done in the technical universities of Germany.

TECHNICAL INSTITUTION AND UNIVERSITY COMBINED.

I call it a most remarkable position for this institution, and those who know more about this matter than I do tell me that our system in Edinburgh uniting the university with the technical institution, as is done on the present occasion, is a wiser plan than the complete separation of technical universities and other universities, as is the case in Germany. Now, if it were found possible for employers to give their apprentices days for study here besides the evenings that the apprentices furnish for themselves, surely both students and employers would find their reward. If this institution is ever to receive its full development, that fact will have to be recognized, and the number of day students will have to be greatly enlarged. Well, of course I am not here to tell employers what is to their interest. They will naturally reply that they know their own interests best, and I am not disposed to disagree with them, but that is one of the suggestions which arise out of a consideration of the position of this college to-day. Now there is another suggestion. Most of us know how large a number of trained specialists are employed by German commercial firms. They excel with new inventions, they adapt and develop them to the purposes of their business, and I understand that firms in Germany combine to keep a staff of these specialists, sharing the results of their labors and sharing also in the cost of their support. Now we hear a great deal of the encroachment of Germany as regards our trade, perhaps — complaints that are somewhat exaggerated — but when we do hear of these complaints it may be worth our while to inquire whether the employment of these specialists has not something to do with the advantages that Germany has in commerce, and whether it would not be worth our while to utilize still more the services of such men. If the employers in Great Britain find that they get on well without them — find, in fact, that the expense of such men would, in their opinion, be money lost, I have nothing more to say, because they know their own business best; but if, on the other hand, they should think or learn differently, and should take a page out of the German book, why, there is a sphere of usefulness for this college, the importance of which we cannot overrate, in training such specialists for the needs of a commercial country. My Lord Provost, if I were allowed to indulge my dreams I would go a step further. I would wish that the technical institutes in our great university towns should each specialize one side of their teaching to that extent that it would not be possible to repeat it in other university towns, but that it would be carried to the highest pitch in each institute. Being recognized by the other local universities, as regards the acceptance of their students in these special branches, there would be an enormous advantage to the universities and vast economy of teaching power. All that, of course, may probably be in the air, but when we look back to what has

been effected by this institution in less than the century which has elapsed from the date of its commencement, we are entitled, I think, to indulge in dreams on such an occasion.

NATIONS DEPENDENT ON THEIR YOUTHS.

Almost the last thought, of course, in connection with the record we have here to-day is this: What a magnificent and inspiring sight is the contemplation of these thousands of students who utilize this college. They come not forced to education as is the case in so many of our class of gentle birth, but after a day's hard work, determined, whatever their stress or fatigue may be, to utilize their evenings for the raising of their minds and the perfecting of their methods. I venture to say that there is no more encouraging symptom in our community than that, and that if we can even contemplate the possibility of a nation in the main composed of such youths as these, that nation would have nothing to fear. In the long run it is on its honest, strenuous youth that every nation depends, and youth such as that, determined and resolute on its own perfection, its own efficiency, is the surest sign of the health and strength of a country. There is one material side of the matter to which I would wish to call your attention. We have heard all our lives, and shall hear for the rest of them and for many lives to come, endless discussions as to the various relations of the various forms of capital—capital in money, capital in intelligence, capital in organization, capital in labor. I will only take this last form of capital, and ask our artisan students to remember and to realize how enormously they are adding to their individual capital by the training they receive in these classes. Each acquisition they make, each act, each science, each method by which they increase their industrial efficiency, is so much added to their material capital. I know that in these days there are many plans abroad by which universal affluence and universal beatitudes are to be secured by the hasty reconstruction of society, but sure I am of this, that whenever that reconstruction may take place, if it ever takes place, and whatever form society may assume, one bottom fact is certain—that the able, efficient, and self-reliant man will climb to the top.

Lord Rosebery concluded the proceedings by setting in motion the large experimental engine in the laboratory.

END OF THE YORKSHIRE WOOLCOMBERS' LITIGATION.

READERS of the "Bulletin" may remember that soon after the promotion and organization of the Yorkshire Woolcombers' Association some years since, legal action was brought against a number of the directors of the Association for misrepresenta-

tions contained in the prospectus issued by them to the public, and a large verdict secured. This action being against only certain directors they, in turn, brought legal proceedings against their co-directors to compel them to pay a ratable contribution of the adverse verdict of £78,000, together with costs and expenses. At first the co-directors denied their liability and preparations were made to contest the suit; but owing to the prospect of a long and expensive litigation before reaching a final decision, negotiations for a compromise were begun and a basis of settlement was recently reached by which the defendants are to pay an equitable apportionment of the sum recovered in the suit brought by the injured stockholders. The "Yorkshire Observer" in noting this settlement adds, "now that these proceedings have been terminated all litigation in connection with the affairs of the Yorkshire Woolcombers' Association may be regarded at an end."

This ill-fated combination, the history of which is a painful one for Bradford, brought loss of reputation to business men formerly held in high esteem, and financial loss to them, as well as the purchasers of the securities of the Association. The losses suffered and the damage done to reputations can be well endured if in the future this experience will prevent others, encouraged by the hope of immoderate gains, from making or approving statements not justified by the facts in the case.

BLACK WOOL AND ITS USES.

At this time, when the question of improved methods in marketing domestic wool is receiving wide attention from manufacturers, wool buyers, and wool growers we are fortunate to be able to produce an article on black wool written by Mr. S. B. Hollings, the Bradford wool correspondent, and originally printed in the Manchester "Textile Recorder." By itself black wool is much desired, but when mixed with the white it is most troublesome to the manufacturer. We trust the wool growers may be governed by the suggestions the author makes and agree to pack separately their white and black fleeces. Mr. Hollings says:

Reading the other day a short account in an Australian paper that a New South Wales pastoralist has found out the secret and reduced the breeding of black sheep to a science, led me to think of black wool, and the special characteristics of that valu-

able commodity. The information is given that this breeder has already a flock of 3000 sheep, as black as Erebus. If I remember right, a Queensland squatter has for years been engaged in building up a black merino flock, though the world lately has heard very little about it. To be told that the 3000 already referred to gave an average of $7\frac{1}{2}$ pounds of wool per head at last shearing, and the same to sell at 13d. per pound is decidedly interesting and profitable reading. Another interesting fact is that the lambing of the niggers was 84 per cent; and to be further told that a well-known stock salesman had been commissioned to purchase the best black ram in the Commonwealth to further improve this unique flock, reads almost like a fairy tale. Most sincerely I heartily approve of such a course of conduct, and wish every one engaged in attempting to produce black sheep every success.

WHY BLACK SHEEP?

It would be interesting to know the cause of lambs being born with black wool, when their parents were both as white as driven snow. Recently I spent a week-end with an intimate friend who is a sheep farmer in one of our lovely Yorkshire dales. All his ewes are Scotch Blackfaced, a breed essentially fitted for the rough fells and moors of the high altitudes of this part of the country. It was lambing season, and in his flock some half-dozen black lambs had arrived. I stood and examined one carefully, wondering why this should have come into the world with a coat as black as my hat when its mother stood close by with a fleece as white as snow. Here is a great field for scientific exploration, and as I write this the thought occurs that it is worth while putting a few black fibers under a powerful microscope to see if the construction of the fiber is similar to an ordinary white staple. I don't expect to see any difference whatever, but possibly one may find a little change in the coloring matter, if I may so term it, of the cells themselves. The reason why Lincoln wool is so lustrous is due entirely to the action of light striking the largely-constructed cells of that fiber, and the same becoming polished and glistening to the eye. I am not in a position to dispute the possibility of black sheep being bred scientifically, but there is absolutely no guarantee that by coupling a black ram and ewe together that the progeny will be black.

A COMMON PROVERB.

This last few years black wool has been made a great deal more of than was formerly done, and where at one time it was more of a hindrance and nuisance than a blessing, this is not so to-day. Black wool has come to stay, and those breeders who have a few black sheep in their flock may regard them more as a special blessing than otherwise. The oft-repeated axiom that there are

"black sheep in every flock" has lost to some extent its horrid significance, though the sneak and imposter that attempts to cheat under the guise of purity and truth is certainly deserving of the strongest words of condemnation, and to be cast out of society as a blackguard. Real black sheep in the animal world can only be regarded to-day as "a boon and a blessing to men," illustrating once more the wisdom of a benign Creator in providing His creatures with exactly what they want to preserve health and promote the general happiness of mankind.

BLACK WOOL POPULAR.

During the past few years black wools have grown in popular favor, simply because they have found the proper sphere for which nature intended them. Every sheep breeder must know by this that, unlike white wools, black descriptions are used in their natural state — that is, undyed. It is impossible to dye black wool into any other shade than black, the operation simply deepening the colors and rendering it a more heavy or "jet black" still. But medical science, aided and substantiated by experience, has found out that dyed fabrics, when worn next to the skin, are highly injurious to the wearer, and should never be adopted by any one, and particularly by a person given to sweating. Take the case of a person troubled with sweaty feet, and who wears, say, black stockings. We cannot conceive of that person doing a more foolish thing, endangering health at every turn, and yet, for all that, it is a very common occurrence. After a life-long experience in handling and seeing wool through every stage of its manufacture, we have long ago discarded the use of all dyed materials next to the skin, confident that the absorption of coloring matters by the pores of the skin is simply the absorption of so much foreign and poisonous matter. It is exactly here that the benefits of black wool come in, and modern manufacturers have at last met the needs of nature by producing the very fabrics that nature requires and which are best fitted for mankind at large.

USES OF BLACK WOOL.

The production of "sanitary" or "health" flannels or undergarments is now a thing of first importance with underwear manufacturers, and these are the men who compete keenly for black wools. It is no uncommon thing to-day to see a bale of black fine wool sell for considerably more than does the ordinary white wool out of the same flock, simply because black is rather scarce and wanted. When the British Government gave out an order for natural underwear flannels at the beginning of the Boer War black wool went up tremendously, and it has fallen very little since, it being to-day relatively dearer than white wool. "Natural gray" flannel or "health" flannels as

they are usually called, are the thing for every person, and as under vests, pants, etc., they should be universally worn, containing no wool that has been dyed, the color, if sometimes a little light, being got by blending together white and the natural black wool. Even the scouring of the black wool does not alter the shade, only the grease, etc., being removed, the color being the same. In these black wools we have everything a sensible person can possibly require for comfort and appearance, besides wearing capabilities, and the more the hygienic qualities become known the greater will be the call.

THE MANUFACTURE OF WOOL YARNS.

FROM "Posselt's Textile Journal" we reprint the appended article on the manufacture of worsted and woolen yarns. It says:

With regard to the sorting of wools, no definite rule can be applied until the aim and object for which the wool is intended to be used has been determined. For instance, a manufacturer may have in stock a large number of fleeces which are quite suitable for the production of the finest worsted yarns, and yet he may require the same for the manufacture of yarns which have to be made into fine woolen cloths. In this case sorting will not be the same for the woolen as it would be for the worsted yarn. The difference in the two threads is, that while we require uniformity of surface in the worsted, it is necessary to have a rather rough appearance in the surface of the woolen thread. This difference arises from the fact that woolen yarns, especially those used for such woolen fabrics as meltons and billiard cloths, must be so formed as to allow each thread to embrace or interlock with a neighboring thread during the process of fulling, this effect being accentuated by the serrations of the fibers projecting from one thread interlocking with those of another. An ideal woolen thread used for fulling fabrics is one that possesses the fibers laid almost straight in the core or center of the thread surrounded by fibers which project in the manner already described; whereas a worsted thread, being required for cloths which invariably have a clean-cut surface and show the weave effect when the fabric has been finished, must be so formed that all the fibers are laid straight and parallel.

From this description it must not be understood that all woolen threads are so made as to produce fabrics which possess a finely fulling or compact finish, neither are all worsted threads made to produce fabrics with a well-defined surface, because in some cases it is essential to have woolen fabrics with weave development plainly visible, and worsted fabrics with a slightly fulling finish.

The machinery and the methods of their actuation play the most important part in the determination of both variety and general effect of all wool yarns. The marvelous development in textile machinery for the manufacture of woollens has been so great that it is now possible to make comparatively good yarns from materials which formerly were considered valueless for manufacturing purposes, and one great advantage in the textile trade is the fact that all waste, so considered by the manufacturers of worsteds, is a valuable commodity to the manufacturers of the woollen thread.

A brief survey of the machinery used in the manufacture of wool yarns will be given. In the first place, therefore, let us contrast the two processes of manufacture — viz., worsted and woollen.

WORSTED YARN.

After the wool has been thoroughly sorted, it must be scoured and dried preparatory to being passed through the machines which comprise the actual plant for the manufacture of worsted yarns. It must, however, be mentioned at this stage that as we have to deal with two distinct lengths of fiber, which for simplicity we will term short and long, it is necessary to have two methods of preparing — that is, preparing the scoured wool ready for the machines which are only able to deal with the wool fiber when it is presented in sliver or continuous length. For this reason there are the short-wool process and the long-wool process. In the former the wool is taken from the drying machine direct to the worsted carding machine — that is, if the wool has not become matted in scouring and does not require passing through an opening machine. The functions performed by the worsted carding machine are such as to combine the separate fibers into a rope-like sliver which is wound in the form of a ball at the delivery end of the machine. The slivers from this machine are then taken (the number being determined by the thickness required) and passed through a combing machine suitable for the length of fiber of which the sliver is composed. If the wool had been long-fibered wool, the process for the preparation up to the stage we have now reached would have been quite different, inasmuch that while we have to prepare the sliver or continuous length of wool for the combing machinery by carding the shortest wool fibers, it is necessary to form a sliver by means of preparing gill boxes, five or six in number, when dealing with long-stapled wools. The combing machinery which treats the wool in the sliver form may be divided into two classes — viz., short wool combs and those used exclusively for the longest fibers. The sliver at this stage, whether long or short wool is being combed, is not composed entirely of fibers equal in length, but it is one of the objects of combing to form a sliver which possesses as far as possible an equality in the length of its com-

posite fibers; if this is not carried out, the short fibers, termed in the trade "noils," will cause uneven and lumpy yarns.

Another process, known as back-washing, is performed either after or before combing, commission wool-combers preferring this operation before rather than after combing has been done, for the reason that a much better price can be obtained for the noils, which appear much whiter than would be the case were they to back-wash after combing. In back-washing it is possible to give a much whiter appearance to the sliver by adding common blue or methyl violet to the liquor through which the sliver is passed.

The next operation after combing is to make a ball of sliver known as a "top" from the several slivers which are put up at the back of a balling gill box. The tops or balls of sliver made at this machine are regulated in thickness by drafting and doubling — *i.e.*, drawing a sliver or number of slivers out in length in such a manner as to attenuate the length put in at the back of the machine. The tops or balls of sliver are then taken and passed through a set of drawing boxes. This set generally comprises six, eight, or ten machines, according to the nature and quality of the material under treatment.

The term drawing or drafting given to this set of machines is not in any way misapplied, as it is during these operations that the sliver is reduced in thickness to such a degree as to form a roving yarn suitable to be spun in some cases to very fine counts.

Worsted spinning machines may be recognized under three heads — *viz.*, fly, cap, and ring spinning frames — and manufacturers adopt the type most suitable for the particular trade in which they are interested, as there is a marked difference in the results obtained in each respective type. Some are only suitable for spinning yarns for hosiery, whilst others are built for the manufacture of coating-yarns and threads similar in construction; but when a knowledge of the respective machines has been acquired along with a study of color mixing and matching, the construction of the various yarns now upon the market will be more readily understood.

It will have been noticed from this brief account of the various operations that the tendency has been to keep the fibers in as parallel a direction as possible by means of the large number of drawings or draftings to which the wool has been subjected.

WOOLEN YARNS.

The manufacture of woollen yarns is altogether different from the manufacture of worsteds, the preparation of the wool for the spinning in the former being a much greater responsibility than is the case with the preparation for the latter. This will be understood from the fact that while it is possible to remedy to a large degree almost any defect which may arise in the first machines in worsteds, defects are difficult to remove which arise

in the preparation of woollens. In the first place, it may be mentioned that all wools and materials used in the manufacture of woollen yarns are not scoured in the raw state, neither is it essential in some cases to remove all the short fibers; hence sorting and classification of fleeces are not as important to manufacturers of woollens as they are to the manufacturers of worsteds. Whether the wool has been scoured or not, it is imperative, if the best results are desired, to open all wools in machines used exclusively for opening purposes. This process reduces the wool from a comparatively matted state to a very open, free, and much more workable condition than it otherwise would be.

The carding machinery which prepares the roving for the mule requires the most skilful attention, because if a good carded thread is not obtained there is no intermediate process by which it is possible to remedy the defective roving yarn. The carding machine consists of two or three parts. If two, the first part is known as the breaker, and the second as the finisher; if it is composed of three parts, there is an intermediate, known as second breaker, between the first and second parts. The wool is fed into the machine, says J. W. Radcliffe in "The Textile Manufacturer," either by hand or by an automatic arrangement, the latter being much more reliable, as it evenly distributes the material over the lattice or creeper which carries the wool forward to the feed rollers of the first breaker, thus ensuring much better results with regard to even and level yarns.

The machine is composed of a series of cylinders and rollers, all of which perform some function in the carding operation by having their respective surfaces covered with various kinds of card-wire. The speeds of the various rollers are properly timed and regulated, along with proper setting one with another, and good threads can be obtained, even from materials which were once despised by those associated with textile industries. The latter portion of the finisher card is fitted with a condenser, and is one of the most important parts of the machine. There are many methods of condensing—*i.e.*, reducing the wool from a thin fleece-like state into threads or rovings suitable for the woollen spinner; but the whole of them may be considered under two heads—*viz.*, the double doffer condenser and the single doffer condenser. The rovings or condensed threads formed at this machine are generally from 60 to 240 threads in number, varying with the make of the machine, which is selected according to the materials which are to be carded. The mule which follows this machine is a wonderful piece of mechanical ingenuity. The most important part of the mule is the headstock, and this is situated in the center of the mule frame. It is from this source that all other parts of the machine receive their actuation and it is regarded as one of the most complicated machines in the textile trade.

CHEVIOT SHEEP.

THE following article on Cheviot sheep we take from a recent number of "Dalgety's Review." The writer says :

It is strange that while the merits of most of the various British breeds of sheep are known throughout Australia, by practical experience or repute, the claims of one of the oldest and most valuable varieties, and one eminently suited to many parts of Australia, should excite so little interest.

The early history of the Cheviot breed is very uncertain. It seems probable that there were, in the early days of sheep-farming in Northern Britain, a good many native breeds, confined most likely, more or less sharply, to definite districts, and the want of easy communication would prevent crossing to any extent. The Cheviots, we may infer, were descended from one of those stocks, but when we apply to the oldest authorities, we get but little information either reliable or satisfactory. All we can find may be summed up in the words of Youatt, who published a large volume on the sheep early in the nineteenth century. He says: "In the upper part of that hill in Northumberland, which is properly termed the Cheviot, a peculiar and most valuable breed of sheep is found, and they have been there from time immemorial. Tradition says that they came from the border districts of Scotland, but they are totally different from the blackface sheep, and bear little or no resemblance to the original dim-faced Scottish stock." Professor Low, in a work entitled "Domestic Animals of Great Britain," says practically the same thing. "The Cheviot breed of sheep is derived from a district of Porphyry, situated in the north of Northumberland, and extending into Scotland, forming the mountains termed Cheviot. This district has produced from time immemorial a race of sheep entirely distinct in its character from the wild heath breed of the elevated moors adjoining." To this the Professor adds: "The Cheviot sheep are destitute of horn, in the male and female; their faces and legs are white, exceptions merely occurring in the case of individuals, in which these parts are dun."

Towards the middle of the eighteenth century it seems certain that attempts were made to develop the breeds, and the name we meet with first in the long line of breeders is that of Mr. Robson of Belford, Roxburghshire. In order to counteract what he considered defects in his native sheep, he introduced rams from England; and, while some have held that Leicesters were used, others, and perhaps with more proof to support their contention, declare that Lincolns were brought north for Mr. Robson's purposes. A writer in the "Farmer's Magazine" very early in the nineteenth century says: "As a proof of the fineness of Lincolnshire wool at the period alluded to (probably about 1760),

I need only observe that the late Mr. Robson, of Chatto, a most respectable man, and breeder of Cheviot sheep, who then lived at Scotch Belford, purchased some tups from a Mr. Mumby, in Lincolnshire who at that time stood high as a ram breeder. These tups, without injuring the quality, greatly increased the quantity of wool, and gave Mr. Robson such a decided superiority over his hill neighbors, that for many years after making the cross he sold more tups than one-half of the hill farmers put together." The best known early description of Cheviots is that of Sir John Sinclair, who, writing in 1792, says: "Perhaps there is no part of the whole island where at first sight a fine-wooled breed of sheep is less to be expected than among the Cheviot hills. During winter the hills are covered with snow for two or three and sometimes four months, and they have an ample proportion of bad weather during the other seasons of the year; and yet a sheep is to be found that will thrive even in the wildest part of it. Their shape is excellent, and their fore-quarter, in particular, is distinguished by such justness of proportion as to be equal in weight to the hind one. Their limbs are of a height to fit them for traveling, and enable them to pass over bogs and snows, through which a shorter-legged animal could not penetrate."

Sir John Sinclair "backed his own opinion."

He thought these sheep, which he practically discovered and named, would be well suited for other districts as well as the Northumbrian border and he took a considerable flock—about five hundred—north to a farm in the south of Caithnessshire. How successful Cheviots have been in the north of Scotland is now a matter of common knowledge. Besides having grazings which suit the hardy nature of the animals, the influence of the Gulf Stream on the northern shores of Scotland produces a climate which is much in their favor, and there is no doubt that many of the biggest and heaviest sheep are to be found north of the Grampians. Many ewes from Caithness, Sutherland, and other northern countries find their way south each back-end, and, when compared with the Cheviots of the south, it is seen how much better grown they are. They lack, however, much of the smartness and style of the southern sheep, but the Highland wool always commands the highest price, and when they are taken to the best grazings, they grow themselves, and breed very fine lambs in the following seasons. Mr. McDowall, of Girdstingwood, Kirkcudbright, who has had a large and successful experience of feeding all classes of sheep, uses both rams and ewes from the north in breeding Cheviots for Smithfield purposes. When it is mentioned that his champion weddlers at the Scottish National Fat Club show in 1905 averaged two hundred and eighty-five pounds each at twenty months old, it will be seen to what size and weight good Cheviots can be fed. He has also had

lambs, similarly bred, scaling one hundred and seventy pounds at ten months.

About the same time that Sir John Sinclair introduced Cheviots to the north of Scotland, many farmers in the south were trying them to cross with the stocks they then had. Some notes of the experiments made in different parts along the border have been preserved. These experiments refer to the improvement of the existing Cheviots and to the attempts to improve them by crossing. Of the parish of Oxnam, for example, an old chronicle says (1794): "In the upper end of this and neighboring parishes bordering on Northumberland, the sheep have been greatly improved of late in shape and weight and quality of wool. This has been effected partly by purchasing tups from Northumberland and other counties in England, or by purchasing from or exchanging with each other." The demand which had sprung up for wool, and the satisfactory prices that could be got for finer samples than blackface, undoubtedly made flockmasters all round give more attention to this important item. We read of the parish of Yarrow, in Selkirkshire: "The wool is of various qualities. In the lower part of the parish it is of considerably fine texture, and sells at 18s. In the upper part it is very coarse, and sells at 6s. to 7s.; of late years (up to 1794) the system of rearing sheep has undergone a considerable alteration, particularly in the lower district of the parish. Induced by the higher prices of wool, the farmers in this quarter are gradually quitting the old species, and introducing the Cheviot breed. For this purpose they are at great pains every season to procure tups of a fine quality. Nor have their laudable efforts to improve their stock of sheep been unrewarded. Some have trebled their price of wool, some have doubled it. These improvements are solely confined to the farms about and below the church. All above remain in their former unimproved state. Although convinced of the great advantage resulting from rearing the Cheviot species, yet the farmers are afraid to try the experiment, from an idea that their lambs could not sustain the spring colds and storms to which their farms are subject. Some, however, who have had experience in rearing the fine-wooled sheep, allege that they are not so delicate as many represent them, and that they would thrive very well in many places, where a tenacious adherence to ancient maxims and customs has as yet prevented their introduction. This being the case, it is to be hoped that those store masters who have hitherto been prevented from rearing the Cheviot breed by long-established habits and groundless fears, will soon surmount these, and concur with spirit and vigor in forwarding the improvement of the staple commodity of the country, which tends both to promote the prosperity of the nation and to advance the interests of the individual."

An examination of the history of parishes in Scotland, where

sheep breeding was at the time followed, shows that attention was everywhere being given to the production of wool about the end of the eighteenth century, and we find an exceedingly interesting note referring to Moffat, Dumfriesshire. "An intelligent farmer, Mr. David Irving of Polmoodie, has tried a very important and successful experiment for improving his wool. In 1787-88-89 he put Eskdale rams of the white-faced polled kind — the same with the Cheviot breed — to his ewes of the horned black-face kind. He sold the wool in 1790 at 10s. the six fleeces, as against 6s. 3d. obtained for seven fleeces of blackface on the same pasture." In 1791 Mr. Irving himself addressed a letter to Sir John Sinclair, who, along with a number of noblemen and gentlemen, had formed a society for the improvement of British wool, on the subject of "experiment with the Cheviot breed of sheep." In this he says: "Having tried many experiments with the Cheviot, or, as we call them in this country, long sheep, and being convinced of their superiority over the Linton or short breed for farms in the hilly part of Scotland, I take the liberty of sending to you and to the society an account of these experiments, in hopes that it will tend to remove the prejudices of such store masters as have not had an opportunity of trying the excellence of that breed, which you have so properly recommended." He then details some of this work. In 1777 he bought forty Cheviot rams of the best sort on the farms of the Duke of Buccleuch and Sir James Johnstone, crossed them with 1612 ewes of the short or blackface breed. He states that these sheep were reckoned dear, "and when my neighbors and kindred saw me trying this new breed they were very hard upon me for pretending to go out of the good old way, for changing the good hardy for the soft long sheep, and so forth." So he was frightened and gave up the experiment for eight years, but in 1785 he began the work in earnest, buying 134 Cheviot ewe lambs. The next year he crossed 420 blackface ewes with Cheviot rams. This work gave satisfactory results, and he received a shilling higher for Cheviot blood than blackface from the same pasture, while the wool, which could have brought only £22 15s. from the old stock, sold for £48 19s. It was in 1787 that he became tenant of Polmoodie, and there began the experiments already alluded to. Referring to these, Mr. Irving states: "I have brought the value of wool produced on this farm from £51 10s. to £115 7s." The writer first quoted in connection with the Polmoodie experiment says: "There is no doubt that the fine, close, short-wooled breed of sheep is a proper sort for a hilly country, and that the wool may be brought, even on the Moffat Hills, to 30s., nay, perhaps to 40s. a stone," which came to pass in the year 1872.

At the present day, the parish of Eskdalemuir, Dumfriesshire, produces great numbers of very fine Cheviots. There, this breed has long been established, but had many ups and downs during

the eighteenth century. This parish has many high and exposed farms, and bad seasons in the past told seriously. There is a record of a storm in 1674, when there were thirteen drifty days in the end of February and beginning of March, which proved fatal to most of the sheep in the parish. The whole of the sheep in the Black Esk were destroyed except forty dinmonts on the farm of West side. In 1739, we are told, a very wet summer was followed by severe frost and snow, which came on on New Year's day, 1740, and lay, without intermission, till melted by the sun. On the 25th of May the frost was so intense that shepherds were unable to cast their peats. The same sequence of events occurred in 1745, when almost the whole flocks of the parish were destroyed, and all the farmers, except six, were ruined. Sheep hoggs sold at 4s. 6d. to 5s.; long (Cheviot) wool was 5s., and short (blackface) 20d. to 2s. per stone at twenty-four pounds. Another run of bad years began in 1755. In these years the farmers suffered the most dreadful calamities, and the old sheep were destroyed by the inclement season, and the lambs killed by frost and snow. In 1762, owing to a long drought, cattle suffered much, and the Laird of Davington bought stirks at Lockerbie for 4s. 6d. and 5s. each. In 1772 more than one-third of the sheep stock died by a severe storm of frost and snow. Owing to a great demand from Roxburghshire, which had suffered even worse, we are told that in 1773 prices rose, and long ewes and lambs sold at 12s. 6d. Long wool was 7s. 6d., and short wool 3s. 6d. per stone. About this time farmers, profiting by the experience they had had, began to make arrangements whereby they removed their sheep — fled them, as it was called — to lower or arable farms, mostly in Annandale, when a storm came on. Thus the lives were saved, but the expense of the stockowner was great. It is consoling to read, however, that the seasons from 1785 to 1791 were excellent, and fully compensated those who had not been ruined by the former ones for all their losses.

During the earlier half of the nineteenth century, Cheviots increased rapidly in numbers. Not only did they multiply in the north, but in many districts of Scotland they displaced other breeds, especially the blackfaces. This tendency, however, received a check somewhere about 1870, and from that time till the end of the century, the Cheviots in turn had to give way to the blackfaces, which had come to be regarded as the hardier breed. About the middle of the century, it would seem, however, that the Cheviots were being cared for, and developed to a greater extent than the others. Writing in a well-known cyclopædia about that time, Mr. A. T. Wilson says: "Although deficient in many points, especially in the lightness of the fore-quarters" (Sir John Sinclair's opinion, quoted above, notwithstanding), "the characteristics of the mountain sheep in its natural state, the old Cheviots were good subjects to work upon, and the

intelligence and energy which the sheep farmers of the Cheviot Hills have long displayed in the improvement of their flocks are abundantly conspicuous in the high state of perfection to which they are now brought, affording a striking contrast, in this respect, to their rivals, the heath sheep, which, though boasting of as old a family, have received very different treatment at the hands of their owners, many of whom seem to act on the principle that the breed requires none of the comforts and just as few of the necessities of life as are consistent with its maintenance."

There can be no doubt that the Cheviot breed is eminently suited to New England, Australia, where the country and climate are similar to that of the Cheviot mountains in Scotland. In no country in the world is the competition for favor among the various breeds keener than in Scotland, and, when it is taken into account that, in 1903, Cheviot rams sold up to £115, in 1904 to £120 and in 1906 to £100, and all in a country where almost every living creature has its truest value in pounds, shillings, and pence, it cannot be disputed that the Cheviot breed has claims upon our attention.

DECISIONS OF THE TREASURY DEPARTMENT ON THE WOOLEN TARIFF.

(T.D. 28592 — G.A. 6686.)

Cattle-hair goods.

CATTLE-HAIR GOODS — MANUFACTURES OF WOOL — SIMILITUDE. — So-called cattle-hair goods, composed of a cotton warp and a filling of calf hair and wool, are dutiable under paragraph 366, tariff act of 1897, as a manufacture of wool. Even if they contained no wool they would still be so dutiable by similitude. — *Arthur v. Fox* (108 U.S. 125) and *Herrman v. Arthur* (127 U.S. 363) followed.

United States General Appraisers, New York, December 4, 1907.

In the matter of protest 271009 of F. Rosenstern & Co. against the assessment of duty by the collector of customs at the port of New York. Before Board 1 (LUNT, SHARRETTs, and McCLELLAND, General Appraisers).

LUNT, *General Appraiser*: The merchandise in question, so-called cattle-hair goods, was assessed for duty at the rate of 33 cents per pound and 50 per cent ad valorem under paragraph 366 of the tariff act of 1897 as "manufactures . . . made wholly or in part of wool, not specially provided for in this Act." It is claimed by the importers to be dutiable under Section 6 of said act at 20 per cent ad valorem as a nonenumerated manufactured article, the merchandise, it is claimed, being made with a cotton warp and a filling which contains cattle hair.

The issue raised is one of fact. The merchandise in question is bought and sold in the trade for manufacturing women's cloaks, carriage

robes, and plush caps, and is also used in the millinery trade. It is known commercially under various names, such as "seals," "seal-skins," "velours," and "fur cloth."

A number of witnesses were called, both for the importers and the Government; and from all the testimony offered in the case we must conclude that the claim of the protestants should not be sustained. All the witnesses agree that the warp is cotton, but there is a diversity of opinion as to whether the filling contains cow hair or calf hair; and the ascertainment of which of these materials enters into the filling is important in enabling us to reach a decision.

The testimony shows that a fabric can be made with cow hair in the filling, without the use of any other substance or fiber to hold the cow hair in, the cow-hair fibers being long enough to be used to advantage; but it is conclusively proven that a fabric like that before us could not be made with only cotton and calf hair, for the reason that the calf hair is short and slippery and it is impossible to draw it out and there must be some other substance to hold it together when it has been run over the cards. Again, the presence of cow hair would not impart a high luster to the finished article, while the calf hair would; and the samples of the goods under consideration certainly have a very high luster. It may be argued that the processes of steaming and dyeing heighten the luster upon the fabric; but this argument is of no force, as the processes mentioned merely have a tendency to shorten the fibers without affecting the luster.

The fact having been established, that the filling consists of calf hair and some other substance, the question presented for determination by this Board is, What is that other substance?

It is hardly necessary for us to go into a minute discussion of the testimony bearing upon this point, but sufficient to say that there is overwhelming testimony to the effect that the substance used to hold the calf-hair fibers in place is either coarse East India wool, wool waste, or mohair noils; that the addition of mohair wool noils gives luster to the fabric, and that the fabric could not be made without the use of wool or mohair. Furthermore, machinery has not as yet been devised that could make such a fabric without the use of wool or a woolly substance. In fact, there is proof that merchandise in all respects similar in quality, material, texture, and use to that in controversy, with the exception of the pattern or design, which is embossed after the article is woven, always has been manufactured with certain percentages of wool, and without the wool could not be made successfully.

The fact that the witnesses could not, when requested, pull out any wool fibers is shown to be caused by the process of gigging the fabric to produce a nap, which is accomplished by means of teazels. This teazeling reduces all the fibers to a comparatively uniform length by

breaking the long fibers and pulling out the shorter ones. In short, the process of manufacture kills the identity of the wool fibers.

Assuming now, for purposes of argument, that the merchandise does not contain wool, but the components claimed by the protestants, the contention that the merchandise is dutiable at 20 per cent ad valorem under Section 6 as an unenumerated article could not even then be sustained. The merchandise is commercially known as a velour. It takes its place in the markets of the world along with other cotton and wool velours, and so closely similar are the two classes of goods that it is impossible to determine the differences between them even if they are not identical; and *identity* in the particulars required by the similitude clause is not necessary. *Schoenemann v. United States* (119 Fed. Rep., 584); *United States v. Roessler* (137 Fed. Rep., 770; T.D. 26127).

The United States Supreme Court, in *Arthur v. Fox* (108 U.S. 125), in passing upon merchandise composed of cow hair and cotton and resembling and used for the same purposes as an enumerated article of goat hair and cotton, held that a nonenumerated article, if found to bear a similarity to an enumerated article, either in material, quality, texture, or use to which it may be applied, is liable to the duty imposed upon the enumerated article. This case was approved by the same court in *Herrman v. Arthur* (127 U.S. 363), where the Court had before it for consideration goods practically identical with those here in issue, with the exception that in the Herrman case (*supra*) the filling was shown to contain no wool but cow hair.

We therefore find, from all the evidence in the case, that the merchandise is composed of calf hair, wool, and cotton, and overrule the protest, holding the merchandise to be dutiable as a manufacture of wool under paragraph 366 of said act.

Drawback on graded pulled wool.

T.D. 28612; T.D. 28746; T.D. 28897.

Drawback allowed under T.D. 28169.

(T.D. 28632 — G.A. 6695.)

Cape sheepskins.

WOOL ON CAPE SHEEPSKINS — ADMIXTURE OF MERINO. — The provision in paragraph 353, tariff act of 1897, for wools "improved by the admixture of Merino or English blood" does not cover growths of a low grade in which it is the exception to find traces of such admixture and which cannot be said to have been so "improved;" and wool on Cape sheepskins, which is of this inferior character and contains much hair and kemp, and which is not worth more than 8 cents per pound, is not within the purview of this provision.

United States General Appraisers, New York, December 19, 1907.

In the matter of protest 272099 of American Express Company against the assessment of duty by the collector of customs at the port of Boston. Before Board 1 (LUNT, SHARRETT, and McCLELLAND, General Appraisers; SHARRETT, G.A., absent).

McCLELLAND, *General Appraiser*: This protest is against the assessment of duty on wool on the skin as Class 1 wool, at the rate of 10 cents per pound, under the provisions of paragraphs 353, 357, and 360 of the tariff act of 1897. It is claimed that the wool was of Class 3, and should have been assessed for duty at the rate of 3 cents per pound under the provisions of paragraphs 358 and 360 of said act.

Evidently, the wool found on the skins in question was returned as Class 1 because of the fact that on some of the skins it was found that the wool thereon showed traces of Merino blood. Paragraph 353 reads:

Whenever wools of class three shall have been improved by the admixture of Merino or English blood, from their present character as represented by the standard samples now or hereafter to be deposited in the principal custom-houses of the United States, such improved wools shall be classified for duty either as class one or as class two, as the case may be.

The evidence shows that all of the skins are what is known as Cape sheep or Cape hair sheep, and that a large portion of such skins have absolutely no wool on them.

The witness Seaver, who is the official examiner of wool in the United States appraiser's office at the port of New York, testified as follows:

Q. For the sake of the record, I will ask you to sort out these samples and see how you would divide them for classification. (The witness sorts the samples into three lots and states he finds a certain percentage of no wool skins.)

Q. Called what? — A. Just common slats. We call poor skins slats, free. I find a certain percentage of class 1 at 10 cents a pound duty, showing Merino blood, and a certain percentage of class 3 at 3 cents a pound duty, showing no trace of merino.

Q. Mr. Seaver, taking this stuff off here on the machine with all this mixed in the lot (indicating the hair amongst the wool), at present prices of hair and wool, taking into account the nonspinning of this kemp that sticks out, what would be the value of that, in your opinion? — A. Eight cents a pound.

Q. Taking the sample skins that you have put aside as having on them merino wool, will you state, after that so-called wool or woollen hair is removed from the skin, if it can be used for any of the purposes that merino wool is used for? — A. It can be worked by carding and spinning the same as merino wool, but not in the same class of goods.

Q. Whether the product from those skins laid aside there as class 1 can be worked in the same process or processes? — A. They can be worked in the same process as merino wool.

Q. You say the price of this hair would be 8 cents? — A. I think that would be the value of that hair, 8 cents a pound.

And others of the witnesses testified that the value of the hair or wool ranges from 3 to 5 cents a pound, and that it could not be used for any purposes for which merino wool is used.

We cannot bring ourselves to believe that, even though it is found that in an examination of the growth upon some of this class of skins there may be found traces of merino wool mixed with the hair and kemp which largely predominates on the skins, it was the intent of Congress that such mixture should be appraised as wool of the first class and assessed with duty at the rate of 10 cents a pound, when the so-called wool, after an expenditure of labor in pulling it from the skins will not sell for more than 8 cents a pound.

Paragraph 353, quoted above, seems to contemplate wool from the sheep which has been improved by an admixture of Merino or English blood, and it cannot be said of the degenerate Cape sheep that it has been so improved, for it is apparent that whatever of Merino blood had been introduced into this species or class of sheep has in most instances totally disappeared, and it is an exception rather than the rule to find traces of Merino blood indicated in the growth on the skins.

In *Lyon v. Marine* (55 Fed. Rep., 964), where the question involved was whether fleeces of unimproved North China sheep, consisting of a very low grade of wool containing a large admixture of coarse short hair, were subject to duty at the rate of 12 cents per pound as goat hair under paragraph 377, tariff act of 1890, or as wool, Class 3, at 32 per cent ad valorem under paragraph 378 of said act, the Circuit Court of Appeals for the fourth circuit, after discussing the various provisions of the wool schedule in that act and the policy of Congress in forming the same, held :

In accordance with this obvious policy of the tariff act of 1890, we are of opinion that the cheap stuff which is the subject of this litigation is not liable to the tax imposed upon the most valuable wools and hairs known to commerce, but is liable to the duty of 32 per cent ad valorem imposed upon all inferior wools and hairs sold in the markets at the lowest range of prices.

We think the same reasoning must be applied in the settlement of the issue here involved, and we are therefore of the opinion that the return of the appraiser was erroneous and that the wool should have been classified as of the third class and assessed for duty, as claimed in the protest, at the rate of 3 cents a pound.

The decision of the collector is reversed accordingly.

(T.D. 29058.)

Wool on Cape sheepskins.

Wool on Cape sheepskins dutiable as wool of Class 1, under paragraphs 355, 357, and 360, tariff act of 1897.

TREASURY DEPARTMENT, June 9, 1908.

SIR: This is to confirm the Department's telegram of the 4th instant that wool on Cape sheepskins should be assessed with duty as unwashed wool of Class 1 under the provisions of paragraphs 355, 357, and 360 of the tariff act.

In a decision dated December 19, 1907, G.A. 6695 (T.D. 28632), the Board held that wool on Cape sheepskins is properly dutiable as wool of Class 3 under the provisions of paragraphs 358 and 360 of the said act.

No appeal was taken from the said decision for the reason that it appeared that there were no samples legally in evidence before the Board, and that the evidence presented at the hearing was not of a character that would, in the opinion of the Department, make a good record before the Court.

In view of the foregoing, the Department instructed the collector of customs at the port of Boston to ignore the said decision in the assessment of duty upon like merchandise for the purpose of making a new case on a fuller record, the Department being satisfied from information received, that the wool in question conforms to standard cabinet sample 137, which represents wool of Class 1.

Respectfully,

L. A. COOLIDGE,
Assistant Secretary.

(52329.)

COLLECTOR OF CUSTOMS, *New York.*

(T.D. 29119.)

Abstract No. 19295. — CAPE SHEEPSKINS WITH WOOL ON. — Protests 272098, etc., of American Express Company *et al.* (Boston).

The protests related to the wool on Cape sheepskins, which was classified as of the first class, and was claimed to be of the third class. Note paragraphs 358 and 360, tariff act of 1897.

MCCLELLAND, *General Appraiser*: . . . It is contended with almost stubborn insistence on the part of the Government, as shown by the testimony and an elaborate brief, that the classification of the said wool was correctly made by the collector for the sole reason, as alleged, that it conforms to standard sample 137 deposited in the principal custom-houses in the United States under authority of the Secretary of the Treasury, pursuant to the provisions to paragraph 352 of said act.

In G.A. 6695 (T.D. 28632) we considered and determined adversely to the Government an issue in all respects comparable with that here involved, and we do not consider that anything, either by way of evidence or argument, has been presented by the Government to lead us to depart from the conclusion therein reached.

It would seem as though the Government's side of the issue has been presented upon an entirely erroneous theory, to wit, that since the Government examiner was satisfied that certain of the wool found on these skins was comparable with standard sample 137, it must therefore be returned and classified as of the first class, and that there remains no power, either in the Board of General Appraisers or the courts to change that classification, which is, in effect, contending that the persons chosen by the Secretary of the Treasury to select the standard samples contemplated by paragraph 352 and the official examiners passing the wool were to be the sole arbitrators during the life of the tariff act under which such standard samples were chosen as to what wools should be included within the classes specified in the act.

Counsel for the Government seems to lay much stress upon the words in paragraph 349 "or other wools of Merino blood *immediate or remote*," but we think when it is considered that the growth on the skins of these so-called Cape sheep is a mixture of wool, hair, and kemp, with the two latter largely predominating, and that such sheep are a degenerate species with only a trace of the merino blood left in some of them, and that the value of the so-called wool, after being pulled from the pelt and washed, ranges from 3 to 10 cents a pound, it is not difficult to conclude that such a mixture was never intended by Congress to be classified as wool of the first class subject to a rate of duty almost if not altogether twice greater than the average price per pound for which it will sell in the market, without considering the cost of labor and the cost of washing.

It is not to be overlooked that the wool which is taken from these skins, considering the great aggregate of skins imported, is of infinitesimal value. The skins are primarily imported to be made into leather, and it is only in the necessary course of the preparation of such skins for tanning that this so-called wool must be removed from the pelts.

It is clearly our view that when Congress arranged the wool schedule of the tariff, dividing wools into classes, and vesting in the Secretary of the Treasury authority to deposit in the principal custom-houses of the United States standard samples as guides for the classification thereof by collectors of customs, Congress contemplated only straight wools and not such a combination of wool, hair, and kemp as is involved in these protests.

We see no reason to depart either from the reasoning expressed or the conclusion reached in G.A. 6695 (*supra*), and we therefore sustain the protests and reverse the decisions of the collector.

(T.D. 29138.)

Cape sheepskins with the wool on.

Appeal directed from Abstract 19295 (T.D. 29119), involving the classification of Cape sheepskins with the wool on.

TREASURY DEPARTMENT, July 7, 1908.

SIR: The Department is in receipt of a copy of the decision of the Board of United States General Appraisers of the 29th ultimo, Abstract 19295 (T.D. 29119), involving the classification of Cape sheepskins with the wool on.

The merchandise in question was assessed with duty as wool of the first class and was claimed by the importers to be properly dutiable as wool of the third class, the protest being sustained by the Board.

As the issue is an important one, you are hereby directed to file an application for a review of the said decision under the provisions of Section 15 of the act of June 10, 1890.

Respectfully,

L. A. COOLIDGE,

*Assistant Secretary.*COLLECTOR OF CUSTOMS, *Boston, Mass.*

(T.D. 28634.)

Abstract No. 17754. — WOOL ON CHINA SHEEPSKINS — FUR SKINS. — Protest 163577 of Goat and Sheepskin Import Company against the assessment of duty by the collector of customs at the port of New York. Before Board 1, December 19, 1907.

The protest related to China sheepskins with wool about 2 inches long. This wool was subjected to duty as provided in Schedule K, tariff act of 1897. The importers contended that the importation was exempt from duty under the provision in paragraph 562 for fur skins of all kinds not dressed in any manner and not specially provided for. Protest sustained.

MCCLELLAND, General Appraiser: . . . The record shows that the skins in question were imported from Shanghai, China, after being carefully selected for a special use, viz.: for making fur coats in imitation of coats made from buffalo skins. . . . It appears from the evidence that the skins and wool thereon are of a kind and quality used specially for manufacturing fur coats and for no other purpose; that it would not be profitable to separate the wool from said skins and use the same as wool and that therefore such separation is not made.

It was held in *United States v. Bennett* (66 Fed. Rep., 299) that skins of the Angora goat with the hair on were entitled to free entry under paragraph 588, tariff act of 1890. Said paragraph reads: "Fur-skins of all kinds not dressed in any manner."

In the *Bennett* case (*supra*) the Court said:

It is not profitable to separate the hair from the skins, and to use the hair as wool. They are for all commercial uses undressed fur skins; and while they are also literally undressed wool skins or skins with wool on, their classification for tariff purposes should not be under the head of the "wools," because practically they are not such. While bearing the name of "wool," they are not the wools to which the wool schedule relates; and it is too close an adherence to literalism to classify them as something which they are not.

It will be noted that paragraph 562 of the present act and paragraph 588 of the tariff act of 1890 are essentially alike, and we therefore think the ruling of the United States Circuit Court cited is controlling in this issue.

China sheepskins with the wool on.

T.D. 28817, Abstract 18291; T.D. 28950, Abstract 18715; T.D. 29119, Abstract 19272.

Protests sustained. T.D. 28634, Abstract 17754 (*supra*), followed.

(T.D. 29119.)

Abstract No. 19296. — CHINA SKINS — FUR — MIXED GOODS. — Protests 284738, etc., of International Hide and Skin Company (New York).

The merchandise covered by the protests was claimed to be China sheepskins used for manufacturing fur coats only, and to be free of duty under paragraph 561 (furs undressed) or paragraph 562 (fur skins not dressed) tariff act of 1897.

MCCLELLAND, *General Appraiser*: . . . In Abstract 17754 (T.D. 28634) the Board passed upon and determined a similar question in favor of the protestants' claim, but in that case, while it appears that the skins were of the China sheep, as in the case at bar, they were shown to have been carefully selected for use in the making of fur coats, while the record here shows that the skins involved were unsorted and purchased indiscriminately without regard to any particular use to which they might be adapted. This is shown by the testimony of the secretary of the importing company:

Q. Do you know what these skins are used for? — A. Yes, sir.

Q. What is their use? — A. Principally coats.

Q. Did you sell them to the manufacturers of fur coats? — A. Some of them might have been sold to a mitten manufacturer or a glove manufacturer; it is pretty difficult to state without referring to our books.

Q. Are the skins of a special character? — A. Why, the short and medium hair skins are sold for fur coat purposes and the long fur, the skins are sold to mitten manufacturers to make a mitten out of.

Q. You purchased these skins indiscriminately in China, or did you

purchase them as fur skins? — *A.* Why, they are purchased indiscriminately.

It also appears from the testimony of this witness that one-third of the importation involved in protest 284738 was sold unsorted to a tanner to be made into leather. Since there was no separation of the skins claimed to be suitable for use only in the making of fur coats from the ordinary skins with the wool on, it is impossible for the Board to make a finding of the percentages of each, and therefore the protests must be overruled and the decision of the collector in each case affirmed.

— — — — —
(T.D. 29229.)

Abstract No. 19545. — CHINA SHEEPSKINS FOR FUR COATS. — Protests 291487, etc., of International Hide and Skin Company (New York). Opinion by McClelland, G.A.

China sheepskins, the wool on which was assessed for duty under paragraph 360, tariff act of 1897, relating to wool on the skin, were claimed to be free of duty under paragraph 561 (furs, undressed), paragraph 562 (fur skins), or paragraph 664 (skins of all kinds, raw, except sheepskins with the wool on).

MCCLELLAND, *General Appraiser*: . . . In support of the claim for free entry the testimony on behalf of the protesting company shows that the skins in question were imported for fur purposes exclusively, and that 11 bales thereof have actually been sold for the purposes of manufacturing fur coats, and the remaining 30 bales are shown by the evidence to be of the same character.

The mere fact that there were found, upon examination, 1613 skins which had no wool thereon does not affect the question as to whether the skins which did bear wool were suitable only for use in making fur coats.

The testimony of the Government examiner only goes to affirm that the skins which he passed free bore no wool, and fails utterly to dispute the evidence on behalf of protestants that the skins bearing wool were suitable only for making fur coats. We think, therefore, that in the absence of proof to the contrary, the protesting company has established its claim, and the protest must therefore be sustained. Abstract 19272 (T.D. 29119)

— — — — —
(T.D. 29329.)

Abstract No. 19864. — CHINA SHEEPSKINS — FUR. — Protests 285857, etc., of Abe Stein Company (New York).

The protests related to China sheepskins, the wool of which was assessed for duty under paragraph 360, tariff act of 1897. The importers contended that the provision for fur skins under paragraph 562 should have been applied.

MCCLELLAND, *General Appraiser*: The testimony on behalf of protestants to the effect that all of the skins covered by the several invoices involved are carefully selected for fur purposes is irreconcilable with the facts shown by the official return, which indicates that a large percentage of the skins bore no wool and were sold for making leather. The Government contends in its brief that because of such inconsistency or conflict the assessment of duty should be upheld. It is not to be overlooked, however, that the protesting company has shown by evidence that is not controverted on the part of the Government that such skins as bore wool and were returned for duty were suitable only for making into fur coats and robes.

We are therefore of the opinion that since it is shown that the skins assessed for duty are similar to those covered by Board's decision, Abstract 17754 (T.D. 28634), we must, for the reasons therein stated, follow the ruling in that case and sustain the claim for free entry under paragraph 562.

(T.D. 28653.)

Abstract No. 17829.—WOOL CONTAINING SEA WATER.—Protest 261210 of Strook Plush Company against the assessment of duty by the collector of customs at the port of New York. Before Board 3, December 27, 1907.

The protest related to wool arriving in a wet condition. Duty having been assessed upon the landed weight, the importers contended that it should have been based upon the invoice weight, which was 2035 pounds less, on the ground that this excess was due to the unusual absorption of sea water by the wool while in transit.

SOMERVILLE, *General Appraiser*: . . . The evidence satisfactorily shows that this increase in weight occurred from the pumping of sea water into the hold of the vessel, where the wool was stowed, in order to extinguish a fire, and that the excessive weight complained of was the result of the absorption of this water. Following Board decisions *In re Mattewan Manufacturing Company*, G.A. 4672 (T.D. 22078), and *In re Kenworthy*, G.A. 6319 (T.D. 27220), the protest is sustained.

(T.D. 29348.)

Abstract No. 19960.—MOISTURE IN WOOL.—Protest 310940 of Oriental Textile Mills (Houston). Opinion by Somerville, G.A.

The Board sustained the importers' contention that duty on wool had been assessed on the basis of excessive weight due to the absorption of an extraordinary amount of sea water.

(T.D. 28714.)

Abstract No. 18012. — COCOA MATS WITH WOOL FRINGE. — Protest 201441 of Geo. Borgfeldt & Co. (New York).

Articles classified under paragraph 266, tariff act of 1897, as manufactures of wool, were claimed to be dutiable under paragraph 452, relating to mats made of cocoa fiber. Protest sustained.

LUNT, *General Appraiser*: . . . The mats here in question are composed of cocoa fiber, bordered with colored wool. That the same are "mats" and not "matting" was decided in G.A. 5625 (T.D. 25164), but the distinguishing feature is that the mats covered by G.A. 5625 (T.D. 25164) did not have the wool fringe encircling them; but this phase of the question is easily disposed of for the reason that, in our opinion, the value of the wool fringe, in quality and quantity, plays an insignificant part in comparison to the value of the rest of the components composing the article, and we therefore find the mats to be specifically provided for in paragraph 452.

Wool tares.

T.D. 28775, Abstract 18223.

Protest sustained. T.D. 24664, G.A. 5418, followed.

(T.D. 28802 — G.A. 6729.)

Card clothing.

ENTIRETY — CARDING MACHINE WITH ITS COMPLEMENT OF CLOTHING. — Card clothing, when imported in quantity sufficient for the use of the machine for which it is intended and which it accompanies, is, though packed separately, properly dutiable as a part of the machine, and duty should be assessed on the whole as an entirety under paragraph 193, tariff act of 1897, as manufactures of metal. — United States v. Leigh (T.D. 23688) ¹ G.A. 6174 (T.D. 26782),¹ and G.A. 6490 (T.D. 27760) ¹ followed.

United States General Appraisers, New York, February 21, 1908.

In the matter of protests 206098, etc., of Evan Arthur Leigh against the assessment of duty by the collector of customs at the port of Boston. Before Board 2 (FISCHER, HOWELL, and DE VRIES, General Appraisers).

FISCHER, *General Appraiser*: The issue presented in these cases relates to the proper classification for duty of certain carding machines and card clothing made and designed to fit and to be used as a part of such machines. The machines and the necessary clothing therefor, though packed separately, are imported at the same time. The collector has regarded them as separable for dutiable purposes, and has assessed duty on the carding machines at the rate of 45 per cent ad valorem under paragraph 193, tariff act of 1897, and on the card clothing at the rate of 45 cents per square foot under paragraph 146 of said

¹ Not reproduced in Bulletin.

act. They are claimed to be dutiable as entireties, the importer contending that the card clothing, as a part of the machines, should pay duty at the same rate as the other parts under paragraph 193.

We were called upon to determine and did pass upon the same question here raised in G.A. 6174 (T.D. 26789) and G.A. 6490 (T.D. 27760). In both cases the Board sustained the importer's contention that a carding machine with the necessary card clothing therefor constitutes an entirety and should be so considered for purposes of classification for duty. An appeal taken from G.A. 6174 (*supra*) was dismissed on application of the Government. An appeal was likewise taken from G.A. 6490 (*supra*), and the decision of the Board was affirmed by the United States Circuit Court, district of Massachusetts, in *United States v. Leigh* (T.D. 28688). The correctness of our former rulings having been confirmed, we see no reason in these cases which would warrant a different conclusion.

In a brief submitted to us, the counsel for the Government refers to *Hillhouse v. United States* (152 Fed. Rep., 163; T.D. 27831), and *United States v. Dieckerhoff* (T.D. 28716), decisions by the United States Circuit Court of Appeals, second circuit; and on such authorities asks this Board to now overrule these protests. In the *Hillhouse* case, the Court held that the new parts of an automobile repaired abroad and reimported were properly subject to duty while the rest of the machine was entitled to free entry. In the *Dieckerhoff* case, the Court held that hand sewing needles in fancy cases were two distinct entities, classifiable in the same way as though separately imported. Counsel contends that the cases cited are controlling and reverse the ruling in *United States v. Leigh* (*supra*). We cannot concur with this view, for as we take it the cases involve a different state of facts from that here presented. The automobile, part of which was held free and part dutiable, was imported as a household effect and not as merchandise; and the Court apparently considered the new parts alone, as in the light of imported merchandise. In the other case cited, the Court deemed the furnished needlecases not to be entireties, but as two separate and nonattached articles, each dutiable or classifiable by itself. The case at bar differs in this respect, *i.e.*, the carding machine without card clothing would be useless—that is, it would not be a carding machine at all. The machines are imported in knocked-down condition, each part being absolutely essential to make a perfect working machine, and consequently an entirety and dutiable as such. If this were not so, the reasoning would apply as well to the other individual parts, and not only would the card clothing be separately dutiable, but also the bolts, bars, nuts, beams, castings, and all the other parts of the completed machine.

The analogous case with the one we have here under consideration would be that of the automobile with the tires therefor shipped in the

same case but not attached to each other. That case is pending on appeal (suit 4915), from a decision by this Board, G.A. 6567 (T.D. 28044), wherein the Government's contention that said articles were entireties was sustained. We hold that the machines and card clothing belonging to them are entireties dutiable under paragraph 193, as claimed in the protests. Protests 222425, 222744, 253612, and 256873, having been formally abandoned by the importer, are hereby overruled, and in regard thereto the decision of the collector is affirmed. The claim in all other protests under paragraph 193 is sustained as to the card clothing contained in cases specified in such protests by marks and numbers, and to that extent the decision of the collector is reversed.

(T.D. 29057.)

Drawback on worsted yarn.

Drawback on worsted yarn manufactured by the Abbot Worsted Company, of Graniteville, Mass., wholly with the use of imported Russian camel's hair. — T.D. 27604 of September 13, 1906, extended.

TREASURY DEPARTMENT, June 8, 1908.

SIR: The Department's regulations of September 13, 1906 (T.D. 27604), establishing a rate for the allowance of drawback on woolen yarn manufactured from imported wool, are hereby extended, so far as applicable, to cover worsted yarns manufactured by the Abbot Worsted Company, of Graniteville, Mass., wholly with the use of imported Russian camel's hair, in accordance with the manufacturer's sworn statement, dated March 6, 1908, transmitted herewith for filing in your office.

In liquidation, the quantity of imported wool which may be taken as the basis for the allowance of drawback may equal the net weight of the yarn exported, to which may be added 111.906 per cent of said quantity to compensate for waste of all kinds, including noils and hard ends. From the quantity of raw imported material thus ascertained there shall be deducted such quantities thereof as are replaced by the valuable portions of the waste — *i.e.*, noils and hard ends — which shall not be less than 11.9168 per cent of the total quantity of camel's hair used in the case of noils and .4766 per cent in the case of hard ends.

Respectfully,

JAMES B. REYNOLDS,
Assistant Secretary.

(52821.)

COLLECTOR OF CUSTOMS, Boston, Mass.

QUARTERLY REPORT OF THE BOSTON WOOL MARKET
 FOR JANUARY, FEBRUARY, AND MARCH, 1909.

DOMESTIC WOOLS. (GEORGE W. BENEDICT.)

	1909.			1908.
	January.	February.	March.	March.
OHIO, PENNSYLVANIA, AND WEST VIRGINIA.				
(WASHED.)				
XX and above	34	35	35	32 @ 33
X	32	33	33 @ 34	30 @ 30½
1/2 Blood	38	39	40	35 @ 36
1/4 "	37	38	40	35
1/8 "	36	37	38	33
Fine Delaine	37	38	38 @ 39	37 @ 37½
(UNWASHED.)				
Fine	24	25	25 @ 26	24 @ 25
1/2 Blood	30	31	31 @ 32	30 @ 31
1/4 "	29	30	30 @ 31	30
1/8 "	29	30	30 @ 31	26
Fine Delaine	30	30	31	29
MICHIGAN, WISCONSIN, NEW YORK, ETC.				
(WASHED.)				
Fine	37	38	39	34 @ 35
1/2 Blood	36	37	38	33
1/4 "	35	36	37 @ 38	31
Fine Delaine	36	37	38	35
(UNWASHED.)				
Fine	22	23	23 @ 24	23 @ 23½
1/2 Blood	29	30	30 @ 31	29 @ 30
1/4 "	28	29	29 @ 30	29
1/8 "	28	29	29 @ 30	25
Fine Delaine	28	29	30	27
KENTUCKY AND INDIANA.				
(UNWASHED.)				
1/2 Blood	28 @ 29	30	30 @ 31	30
1/4 "	28	29	29 @ 30	26
Braid	24	25	26	21 @ 22
MISSOURI, IOWA, AND ILLINOIS.				
(UNWASHED.)				
1/2 Blood	27 @ 28	28	28 @ 29	28
1/4 "	26 @ 27	28	28 @ 29	25
Braid	23	24	24 @ 25	20 @ 21
TEXAS.				
(SCOURD BASIS.)				
Spring, fine, 12 months	62	63	63 @ 65	61 @ 62
" " 6 to 8 months	53	64	54 @ 55	50 @ 51
" medium, 12 months	53	55	55	50 @ 51
" " 6 to 8 months	47	48	49 @ 50	42 @ 43
Fall, fine	48	49	49 @ 50	42 @ 43
" medium	43	44	45 @ 46	35 @ 38
CALIFORNIA.				
(SCOURD BASIS.)				
Spring, Northern, free, 12 months	55	55	55 @ 56	58 @ 60
" " " 6 to 8 months	51	52	52 @ 53	48 @ 50
Fall, free	42 @ 43	43	42 @ 44	38 @ 40
" defective	33 @ 36	35 @ 38	35 @ 38	25 @ 30
TERRITORY WOOL: Montana, Wyoming, Utah, Idaho, Oregon, etc.				
(SCOURD BASIS.)				
Staple, fine and fine medium	63	64	64 @ 65	64 @ 65
" medium	56	57	57 @ 58	54 @ 56
Clothing, fine	58	59	59 @ 60	52 @ 53
" " medium	55	56	56 @ 57	50 @ 51
" medium	52	53	53 @ 55	45 @ 47
NEW MEXICO. (Spring.)				
(SCOURD BASIS.)				
No. 1	56	57	57 @ 58	51 @ 53
No. 2	46	47	48 @ 49	41 @ 43
No. 3	37	38	38 @ 40	28 @ 30
No. 4	34	35	35 @ 37	22 @ 24
NEW MEXICO. (Fall.)				
(SCOURD BASIS.)				
No. 1	46	47	48 @ 49	40 @ 42
No. 2	38	39	39 @ 40	34 @ 35
No. 3	32	33	33 @ 34	25 @ 28
No. 4	30	31	32 @ 33	20 @ 23
GEORGIA AND SOUTHERN.				
Unwashed	27	28	28	22

DOMESTIC WOOL.

BOSTON, March 31, 1909.

The market during the present quarter (January, February and March) has been active with strong and gradually advancing prices. Manufacturers, though well covered on their heavy weight contracts, have been steady buyers, with the result that the domestic clip is practically taken out of the market, with the exception of the short and defective wools from California and Texas. This indeed is a marked contrast to conditions of a year ago.

The worsted spinners and weavers are uniformly busy with orders for yarns and goods booked far ahead and at this writing there is a little more indication of increased activity among the manufacturers of woollen fabrics.

Notwithstanding the threat of tariff changes likely to occur in the near future, some of the largest houses of the trade have contracted heavily for wool on the sheep's back and at prices from 33½ to 50 per cent higher than the same clips sold for last season at time of shearing.

Fleece as well as territory wools have participated in the active demand, especially in the staple grades.

The consumption of wool is bound to be large during the next year and viewed from the standpoint of supply and demand as regulating values, all indications point to a higher range of prices both here and abroad.

GEORGE W. BENEDICT.

PULLED WOOLS. (*Scoured basis.*) (W. A. BLANCHARD.)

	1909.			1908.
	January.	February.	March.	March.
Brushed, Extra	67 @ 70	68 @ 70	70 @ 72	60 @ 65
Fine A	57 @ 62	60 @ 63	62 @ 65	52 @ 55
A Super	53 @ 56	53 @ 57	55 @ 60	43 @ 46
B Super	42 @ 50	43 @ 51	46 @ 53	34 @ 38
C Super	27 @ 30	28 @ 32	28 @ 33	22 @ 25
Fine Combing	56 @ 60	57 @ 62	58 @ 63	50 @ 55
Combing	47 @ 53	48 @ 54	48 @ 55	40 @ 42
California, Extra	58 @ 62	60 @ 65	62 @ 67	53 @ 57

REMARKS.

The market for the quarter has been active and the sales of most grades of pulled wool have kept pace with the production. In many instances pullers have made contracts in advance for the month's output, though such transactions have been confined to wools suitable for worsted purposes. This demand, however, has covered the bulk of the wool made, — taking in supers as well as combings — for, at this season of the year, only a minor percentage of the production falls short of the worsted standard. In fact, C super is the only grade which has not sold freely, as the fine short-wools have gone into a class of woollens for which there has been some call. With a steady sale for his product, and with the lightest accumulation on record, the puller's only discouragement has been the high prices for sheepskins — a serious handicap to his profits.

W. A. BLANCHARD.

BOSTON, April 1, 1909.

FOREIGN WOOLS. (MAUGER & AVERY.)

	1909.			1908.
	January.	February.	March.	March.
Australian Combing:				
Choice	42 @ 44	42 @ 44	42 @ 45	41 @ 43
Good	39 @ 41	39 @ 42	40 @ 42	40 @ 41
Average	38 @ 39	38 @ 39	39 @ 40	38 @ 40
Australian Clothing:				
Choice	41 @ 42	41 @ 43	42 @ 43	41 @ 43
Good	39 @ 41	39 @ 41	40 @ 41	40 @ 42
Average	37 @ 39	37 @ 39	38 @ 40	38 @ 40
Sydney and Queensland:				
Good Clothing	39 @ 41	39 @ 41	39 @ 41	41 @ 42
Good Combing	40 @ 42	40 @ 42	41 @ 43	40 @ 41
Australian Crossbred:				
Choice	38 @ 40	38 @ 40	40 @ 41	35 @ 38
Average	33 @ 35	34 @ 36	34 @ 36	31 @ 32
Australian Lambs:				
Choice	42 @ 46	42 @ 46	42 @ 46	43 @ 45
Good	40 @ 43	40 @ 43	40 @ 43	40 @ 43
Good Defective	35 @ 38	36 @ 38	35 @ 38	33 @ 35
Cape of Good Hope:				
Choice	34 @ 36	34 @ 36	35 @ 37	33 @ 35
Average	31 @ 33	31 @ 33	32 @ 34	29 @ 30
Montevideo:				
Choice	30 @ 32	31 @ 33	32 @ 34	31 @ 33
Average	29 @ 30	29 @ 31	30 @ 31	30 @ 31
Crossbred, Choice	31 @ 32	32 @ 33	33 @ 34	28 @ 30
English Wools:				
Sussex Fleece	37 @ 39	38 @ 40	40 @ 41	36 @ 39
Shropshire Hogs	36 @ 37	37 @ 38	38 @ 39	36 @ 37
Yorkshire Hogs	33 @ 34	33 @ 35	34 @ 36	34 @ 36
Irish Selected Fleece	33 @ 35	33 @ 35	34 @ 36	35 @ 36
Carpet Wools:				
Scotch Highland, White	18 @ 20	18 @ 20	18 @ 20	16 @ 17
East India, 1st White Joria	26 @ 28	26 @ 28	26 @ 28	25 @ 26
East India, White Kandahar	23 @ 24	24 @ 25	24 @ 25	24 @ 25
Donskoi, Washed, White	28 @ 30	28 @ 30	.....	26 @ 28
Aleppo, White	20 @ 21	21 @ 23	22 @ 24	28 @ 30
China Ball, White	17 @ 19	18 @ 20	18 @ 20	17 @ 18
" No. 1, Open	17 @ 18	17 @ 19	18 @ 20	16 @ 18
" No. 2, Open	12 @ 14	12 @ 14	12 @ 14	15 @ 16

FOREIGN WOOL.

Since the opening of the year the demand for foreign wools, especially of merino and crossbreds of Class I, has been steady and persistent, and as a consequence values have steadily advanced from week to week. The importations, though of unusual magnitude, have been absorbed by manufacturers, and at no time has there been any accumulation except perhaps of merino and fine crossbred wools, and the demand for these will no doubt be stimulated before long on account of the extreme figures now being paid for contracts for clips in the Territories.

Nearly all of this demand has come from worsted spinners, though manufacturers of woollens appear to be enjoying a better business. English wools continue to be popular with a few worsted mills, and they have been imported steadily at figures based on ruling rates in England.

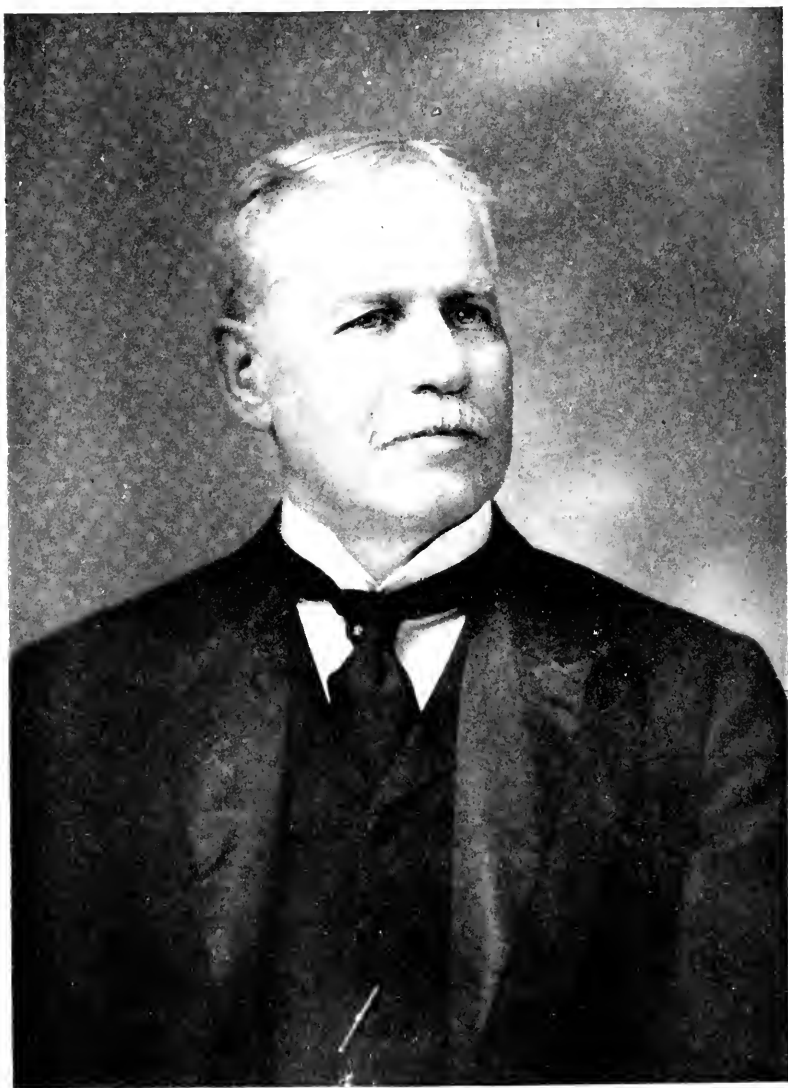
The majority of manufacturers, however, prefer the crossbred of Australia

and South America, which on account of a trace of merino blood work up and finish more satisfactorily.

Carpet wools, on account of the improved financial condition, are more firmly held and have gone steadily into consumption. The discussion of the tariff question at Washington has had no effect on wool values, the impression prevailing that no changes will be made that will depress the value of wool.

MAUGER & AVERY.

MAY 29, 1909.



THOMAS W. SYKES.

BULLETIN

OF THE

National Association of Wool Manufacturers

A QUARTERLY MAGAZINE

DEVOTED TO THE INTERESTS OF THE NATIONAL WOOL INDUSTRY.

VOL. XXXIX.] BOSTON, SEPTEMBER, 1909.

[No. III.]

THE TARIFF REVISION OF 1908-1909.

A REVIEW OF THE WORK OF THE NATIONAL LAWMAKERS,
WITH ESPECIAL REFERENCE TO SCHEDULE K.

It was on November 10, 1908, that the Committee on Ways and Means began its formal series of tariff hearings in Washington. And it was on August 5, 1909, that the conference report on the new, completed tariff bill was agreed to by the National Senate, after having been approved by the House, and was signed by the President. It became a law on the following day, August 6.

This is certainly not headlong haste. The nine months of tariff revision have represented a great deal of close, hard, painstaking work on the part of the Senators and Representatives, and emphatically on the part of the members of the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives. The task consumed fully three months more than was anticipated, and the extra tariff session of Congress lasted nearly two weeks longer than the session of 1897 which produced the Dingley law. Whatever criticism may be applicable to the Aldrich-Payne law, its makers cannot be accused of haphazardness or neglect of any of their responsibilities.

Although it was well understood from the beginning that this revision of the tariff was to be conservative in character—a revision by a Congress controlled by friends of the pro-

protective principle — nevertheless the process has proved a distinct handicap upon American business. There was just enough uncertainty as to the precise amount of reductions of duty in some schedules to arouse a widespread unrest and to cause manufacturers and merchants to postpone all thought of new undertakings until the exact character of the proposed new tariff could be ascertained. There was an immediate improvement when the bill was first passed, on April 10, by the House of Representatives.

The business interests of America had firm confidence in the National Senate. They knew that Chairman Aldrich and his associates would inflexibly correct any errors that the House had made, and that there would be few or no errors of the Senate's making. The new tariff bill was introduced by Chairman Payne in the House on March 17, referred on the same day to the Committee on Ways and Means, favorably reported to the House on March 18 and considered for three weeks, passing the House on April 10. In the Senate, on April 10, the bill was read twice and referred to the Committee on Finance and on April 12 it was reported by Mr. Aldrich with amendments. But on April 15 the bill was recalled by the House and returned on April 19, when it was again referred to the Committee on Finance and reported the same day by Mr. Aldrich with amendments.

The Senate, true to its traditions, was exceedingly deliberate in its consideration of this measure. It held the new tariff bill under consideration for eighty days, passing the measure on July 8. Then the bill remained for twenty days in the Conference Committee. The conference report was agreed to on July 31 by the House of Representatives, and was agreed to on August 5 by the Senate.

The final outcome is unquestionably, in general terms, a revision downward, for most of the increases in duty have been on articles that are distinctively luxuries and not necessities of life, while the increases for the purpose of giving higher protection in any schedules have been few and far between. The most significant reductions are in the iron and steel schedule, as was anticipated, and in certain crude mate-

rials like coal, iron ore, lumber, hides, and oil. It is very gravely to be doubted whether any advantage that the country or the much-exploited "consumers" will receive from all of the changes that have been made in our tariff law will compensate in ten years for the damage which the work of tariff revision has manifestly wrought in this one tariff revision year of nervous uncertainty. Before the task had scarcely been begun, when its disturbing and distracting influences were already becoming manifest, the business men of the country generally, including very many of those who had been clamorous tariff revisionists, were frankly regretting that the work had been undertaken. Not a few of the Senators and Representatives who had the tariff framing in direct charge were heard months ago in Washington to confess privately that actual examination of the subject had convinced them that the revision was unnecessary or premature, and that inevitably the game would not be worth the candle.

As to the wool and woolen schedule, of prime importance to our industry, it has undergone fewer changes than any other important schedule in the entire law. This fortunate exemption is not due to any lack of effort of the foreign and domestic enemies of the wool and woolen industry, for these enemies at the outset were, perhaps, louder, more aggressive, and more unscrupulous than ever before. They simply failed to carry their case with Congress and with the country. There is no indication whatsoever that the reams of printed testimony filed on behalf of foreign wool growing and foreign wool manufacturing and importing interests before the Committee on Ways and Means had the slightest effect upon the minds of the tariff-makers. On the other hand, the character of the wool and woolen schedule, its apparent complexity, its closely-knit paragraphs and the difficulty of making changes in one classification without involving changes in the others doubtless contributed powerfully to the maintenance of the present rates of protection almost unchanged. But it is perfectly fair and justifiable to attribute no small share of the success with which our industry has come through this tariff revision of 1908-1909 to the earnest and elaborate presenta-

tion of the case for the industry and the systematic and persistent defence of its interests by the Tariff Committee of the National Association of Wool Manufacturers.

PREPARATORY WORK OF THE ASSOCIATION.

This committee was appointed by President William Whitman, on the authority of the Executive Committee of the Association, at a meeting in Boston on September 22, 1908. The committee was made up as follows — representing, as will be noted, not only the worsted but the carded woolen interest:

- President WILLIAM WHITMAN, Chairman *ex-officio*,
Boston, Mass.
- Mr. CHARLES H. HARDING, Philadelphia, Pa.
- Mr. J. R. MACCOLL, Pawtucket, R.I.
- Mr. FRANCIS T. MAXWELL, Rockville, Conn.
- Mr. J. F. MAYNARD, Utica, N.Y.
- Mr. GEORGE E. KUNHARDT, Lawrence, Mass.
- Mr. THOMAS OAKES, Bloomfield, N.J.
- Mr. JOHN HOPEWELL, Boston, Mass.
- Mr. WALTER ERBEN, Philadelphia, Pa.
- Mr. EDWARD FARNHAM GREENE, Boston, Mass.
- Mr. LOUIS B. GOODALL, Sanford, Me.
- Mr. FREDERIC S. CLARK, North Billerica, Mass.
- Mr. JOHN P. WOOD, Philadelphia, Pa.
- Mr. N. T. FOLWELL, Philadelphia, Pa.
- Mr. JOSEPH R. GRUNDY, Philadelphia, Pa.

At this same meeting of the Executive Committee, after full discussion, it was unanimously voted to accept the invitation of the National Wool Growers Association and to appoint a special committee to meet with a committee of the wool growers in Chicago on October 15, 1908, to consider not only the impending tariff revision but other matters of interest to our common industry. The committee selected to go to Chicago was as follows:

- President WILLIAM WHITMAN, Chairman *ex-officio*,
Boston, Mass.
- Mr. CHARLES H. HARDING, Philadelphia, Pa.
- Mr. JOHN P. WOOD, Philadelphia, Pa.

Mr. LOUIS B. GOODALL, Sanford, Me.
Mr. THOMAS OAKES, Bloomfield, N.J.
Mr. ANDREW ADIE, Boston, Mass.
Mr. FREDERICK C. FLETCHER, Providence, R.I.
Mr. FRANCIS T. MAXWELL, Rockville, Conn.
Mr. J. R. MACCOLL, Pawtucket, R.I.

Of these gentlemen there were able to attend the Chicago conference only Mr. Whitman, Mr. Harding, Mr. Goodall, Mr. Oakes, and Mr. Maxwell — the two latter, or nearly one-half of the committee, having large personal interest in carded woolen manufacture. One occasion of the Chicago conference was the widespread dissemination throughout the middle and further West, by influences hostile to the industry, of reports that the Eastern manufacturers in the coming tariff revision proposed to demand free wool, or at least a radical reduction of the existing rates of protection to the farmers and ranchmen of the inland States. It was partly in order to allay the apprehensions thus caused that the officers of the National Wool Growers Association invited a committee of the National Association of Wool Manufacturers to discuss the matter face to face at a conference in Chicago.

This conference did not debate in any way the question whether the wool duties should be specific or ad valorem. It did unanimously adopt a resolution declaring that the present rates of protection enjoyed by both the wool growing and the wool manufacturing branch of the common industry should not be reduced. There was nothing secret or sinister in this agreement. It was the plain, frank following of a wholesome precedent established in 1865 at the Syracuse convention, where delegations of wool growers and of manufacturers of that day met and resolved that their common interests justified and required a mutual effort for adequate protection. Indeed, resolutions of this Syracuse convention were formally ratified and reaffirmed, word for word, at this meeting of October 15, 1908, in Chicago. A full account of the conference was immediately prepared and was published, with the official sanction of the Association, in the succeeding, or December, number of the Bulletin. The charge which envy

or malice has since raised, that this conference was a secret affair, involving a compact that ought not to have been made, is simply preposterous.

SUGGESTIONS INVITED FROM THE INDUSTRY.

Meanwhile, before the Chicago conference, the Tariff Committee appointed on September 22 had begun its work. By the direction of the committee a letter and a circular, requesting suggestions and information to assist in the framing of the case for the wool manufacture in the revision of the tariff, were sent to all of the wool manufacturers in the United States, without regard to whether they were members of this Association. The letter was as follows:

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,

BOSTON, MASS., November 12, 1908.

DEAR SIR: As a first step toward tariff revision, the Ways and Means Committee has arranged for hearings in Washington on the various schedules, that for Schedule K relating to wool and its manufactures being set for December 2. A special Tariff Committee of the National Association of Wool Manufacturers, acting in harmony with the American Association of Woolen and Worsted Manufacturers, is now engaged in gathering information as a basis for the presentation of our case at that time.

We ask for a full reply at your earliest convenience to the inquiries set forth in the enclosed circular, so that the views of the wool manufacturers of the country may be presented as a unit at this important juncture. If, in addition to answers to these specific inquiries, you will furnish any facts or figures that may be of use in preparing for this hearing, we shall appreciate your kindness in forwarding them to this office.

Very truly yours,

(Signed) WILLIAM WHITMAN, *President*.

The definite inquiries referred to in the letter were as follows:

Is the present specific, or compensatory, duty sufficient to cover the wool duties in your case?

Is the present ad valorem duty sufficiently protective in your branch of the manufacture?

Have you suggestions to make as to changes in the administrative customs law especially in view of decisions by the courts and the board of general appraisers?

But in addition, as the letter accompanying this circular emphasized, facts or figures of any kind that might be of use in preparing for the tariff hearings were invited by the Association.

More than 1200 copies of this letter and circular were sent to the wool manufacturers throughout the United States. The replies received were in general to the effect that the Dingley law and its classifications and its rates of protection were entirely satisfactory. A few, a very few, manufacturers suggested a reduction in the wool duties, and a very few the substitution of ad valorem for specific duties on wool. But these were simply numerous enough to serve as the exceptions to the rule that American wool manufacturers as a whole were content with the Dingley law and desired nothing so much as a substantial reenactment of its provisions.

PRESIDENT WHITMAN BEFORE THE COMMITTEE ON WAYS AND MEANS.

With this information, which seemed equivalent to an instruction from the entire industry, the National Association of Wool Manufacturers, through its Tariff Committee, prepared the statement which President William Whitman, as chairman of the committee *ex-officio*, presented on December 2, 1908, before the Committee on Ways and Means in Washington. This committee had asked that one person be chosen and authorized to speak for the manufacture as a whole, and Mr. Whitman, because of his recognized ability and long experience in tariff affairs, was the unanimous choice of the committee as its spokesman.

Mr. Whitman represented directly not only the National Association of Wool Manufacturers, but the American Association of Woolen and Worsted Manufacturers, and the Manufacturers' Club of Philadelphia. He distinctly stated, however, that he had no authority to speak for the carpet interest. In introducing the case he expressed the hope that the committee would be guided in its decisions by this under-

lying principle—that the economic policy of this country should be governed by the interests of its productive industries, which give to the country its wealth, to its labor remunerative wages, and to its people the comforts of life. Commercial and general prosperity must inevitably accompany prosperous agriculture, mining, and manufacture.

As to the raw wool, the chief material of the industry, President Whitman told the committee that the manufacturers did not ask for any reduction from the present duties thereon, believing that the existing rates of protection should be maintained. The chief reasons for this position were :

(a.) We believe that the American wool growers are entitled to protection against foreign wool growers.

(b.) We believe it to be essential that a great national industry, like that of the woolen industry, should be founded upon independence of foreign countries for the principal supply of its chief raw material. The American wool grower already supplies 70 per cent of the wool used in the wool manufacture.

(c.) We believe that the encouragement of the sheep husbandry not only makes for the security of the woolen industry, but results in cheaper food and clothing for the people.

As to the manufactured goods of the industry, Mr. Whitman requested no increase of duty whatsoever, but did suggest a reduction in the duty on wool tops, declaring :

We ask that wool tops, a semi-manufactured article, now dutiable under the blanket clause, or paragraph 364, in Schedule K, covering all manufactures of wool not specially provided for, be transferred to and made specifically dutiable under paragraph 365, relating to yarns. This is a reduction of duty, but we believe that the change will leave sufficient protection.

We do not ask for any increase whatsoever in any of the duties now protecting the manufactures of wool, for we regard the present schedule as the most satisfactory ever drawn, and the present protection as adequate for the best interests of the industry. In expressing our content with existing rates in the schedule, it is with the distinct under-

standing that the customs administrative law shall be strictly enforced.

Mr. Whitman regretted that the information as to comparative costs of production in the United States and foreign countries which the committee had sought was unobtainable as to the wool and woollen industry. He explained why it was impracticable to make such a comparison of costs of production on a large, exact scale. He pointed out the fact that there was no trust or monopoly in the wool manufacture; that the industry returned only a moderate rate of profit; that the wages of its operatives were no higher than they ought to be; that the wool manufacture had been reasonably prosperous under the Dingley law, and that the substantial continuance of the protection provided by that law was indispensable to its welfare.

This statement presented by President Whitman, with additional memoranda requested by the Committee on Ways and Means or suggested by the current discussion, made up in all two hundred and fifty-four pages as printed in the special tariff number, the March number, of the Bulletin of the National Association of Wool Manufacturers. This was by far the fullest and the most comprehensive statement of the case ever presented on behalf of the wool and woollen industry in Washington, and it is believed that it represented more painstaking labor and covered a wider field than the testimony submitted on behalf of any other industry in the course of the recent tariff revision. All of this testimony was carefully examined and approved before presentation by the Tariff Committee of the Association at meetings held in Boston, New York, or Washington. The committee, representing all the various interests of the wool manufacture, and particularly the carded woollen as well as the worsted branch of the industry, was entirely unanimous in every step which it took and in every decision which it rendered.

These memoranda laid before the Committee on Ways and Means dealt particularly with such subjects as compensatory

duties, the duty on washed Class II wools, the question of specific or ad valorem duties on wools, the profits in the textile manufacture, the question of wool tops, and the shrinkages of wool. A careful analysis was submitted of the partially misleading report of Mr. W. A. Graham Clark, Special Agent of the Department of Commerce and Labor, who was allowed but two months to make investigation into the wool manufacture abroad, a business with which he was wholly unfamiliar. Mr. Clark was a cotton manufacturer, and was originally sent out to examine conditions of this industry in foreign countries.

FEW CHANGES FROM THE DINGLEY LAW.

The statements of the National Association of Wool Manufacturers were laid before the Senate Committee on Finance, as well as before the House Committee on Ways and Means — for the Senate Committee, under the leadership of Chairman Aldrich, began early in the Congressional session of 1908–1909 to make its own independent inquiry, so that no time might be lost when the new tariff bill had reached the Senate after passage by the House of Representatives.

The wool and woolen schedule of the Payne bill made only five changes from the Dingley schedule. It left the duties on Class I and Class II wools exactly at the Dingley rates of eleven and twelve cents a pound. It attempted a new classification of third class carpet wools. The Dingley law relative to carpet wools was as follows :

On wools of the third class and on camel's hair of the third class the value whereof shall be twelve cents or less per pound, the duty shall be four cents per pound. On wools of the third class, and on camel's hair of the third class, the value whereof shall exceed twelve cents per pound, the duty shall be seven cents per pound.

For this paragraph the House bill substituted the provision as follows :

The duty upon wools of the third class and upon camel's hair of the third class shall be as follows: If valued at not

more than ten cents per pound, three cents per pound, if valued at more than ten cents per pound and not more than sixteen cents per pound, three cents per pound, and in addition thereto one-half of one cent per pound for each one cent per pound the value exceeds ten cents; if valued at more than sixteen cents per pound, seven cents per pound.

The effort of the House was to reduce the duties on carpet wools by a change of the dividing lines of valuation.

In the House bill, moreover, the duty on woolen rags, mungo, and flocks was reduced from ten to six cents a pound, the duty on shoddy from twenty-five to twenty cents, and the duty on noils, wool extract, yarn waste, thread waste, etc., from twenty to eighteen cents a pound. Top waste and roving waste were reduced in the House bill from thirty to twenty-five cents a pound, and slubbing waste, ring waste, and garnetted waste from thirty cents to twenty cents a pound.

Tops were taken out of the general clause covering manufactures of wool not otherwise provided for, and were made dutiable in a new, separate paragraph at the same duty imposed upon the scoured wool of which they were made, and six cents per pound in addition. The House bill reduced from 40 per cent to 25 per cent the ad valorem duty on yarns valued at not more than thirty cents per pound, and struck out altogether the proviso at the end of the cotton warp dress goods paragraph making such fabrics weighing over four ounces per square yard dutiable as cloths.

FUTILE "INSURGENT" ASSAULT.

It soon became apparent that the real opposition to the new tariff in the Senate sprang not from the Democratic minority as a whole, but from a small group of so-called "insurgent" Republican Senators representing a few States in the Northwest and Middle West which had always been lukewarm on the subject of protection as a National policy, though always demanding the highest tariff rates for the products of their agriculture. This "insurgent" group was

led by Senator LaFollette of Wisconsin, with Senator Dolliver of Iowa as his chief lieutenant. Both of these Senators made an especially bitter attack not upon the wool duties, for that would have injured the interests of their own people of their own States, but upon those paragraphs of Schedule K which protected the manufacturing interests of the Eastern States. The National Association of Wool Manufacturers made immediate response to these attacks, not only publishing the defence of our industry in the "Bulletin" for June, but widely distributing pamphlets containing the reply. In this connection proper note was made of the deplorable fact that the newly-formed carded woolen association had unwittingly committed its case to Senators LaFollette and Dolliver, who were posing in Washington as the particular foes of the wool manufacturing industry, and were regularly drawing the ammunition for their attacks from the hostile European manufacturing and importing interests.

But the assaults of Senators LaFollette and Dolliver, though vicious and persistent, absolutely failed, and this collapse of their case necessarily carried down with it the separate effort of the Carded Woolen Manufacturers' Association. Every amendment which either Mr. LaFollette or Mr. Dolliver offered was decisively defeated, and on the final and conclusive test of strength — on an amendment recommitting the schedule to the committee — the "insurgents" were overwhelmed by a vote of eight to fifty-nine. In the House of Representatives the perfunctory Democratic attack upon the American wool manufacturers was delivered by Champ Clark, the Democratic leader, but the chief onslaught came in the Senate from a small group of Republicans who have virtually repudiated the historic Republican policy of protection, except in its narrow application to the characteristic industries of their own constituents. In the words of the brilliant and lamented Representative Cushman of Washington, these men were not National but "spotted" protectionists.

On the other hand, the cause of our industry was most earnestly and ably championed in the Senate by broad and

aggressive Western public men — by Senator Warren of Wyoming, Senator Carter of Montana, and Senator Smoot of Utah. In the House a conspicuous spokesman for the industry was another representative of the wool-growing interest, Congressman Ralph D. Cole of Ohio. The National Wool Growers Association, like the National Association of Wool Manufacturers, had its officers and committees present whenever necessary in Washington, and the historic mutuality of interests between the two branches of our common industry was fully and honorably maintained.

The new tariff bill passed the Senate on July 8, under the sagacious guidance of Chairman Aldrich of the Committee on Finance, whose genius for the management of legislation was never so manifest as in this tariff revision of 1908-1909. Mr. Aldrich met and completely baffled every effort of the "insurgent" group and held his own "Macedonian phalanx" solidly in line to the very end of the struggle. It was unquestionably the most conspicuous example of wise, strong generalship that the halls of Congress have seen in recent years.

THE CONFERENCE REPORT.

On July 9 the Conference Committee of the two houses began its work. Senator Aldrich had secured the substitution of Schedule K of the Dingley law verbatim for the House schedule, with its few and rather hastily considered reductions. The result of the work of the conference, so far as Schedule K was concerned, was an entirely sagacious and satisfactory compromise. The Dingley provision as to third class or carpet wools was accepted by the Conference Committee in place of the changed classification of the House of Representatives. The Dingley duties on noils and wastes were restored. For the House amendment relative to tops there was substituted in conference the following paragraph:

375. On combed wool or tops, made wholly or in part of wool or camel's hair, valued at not more than twenty cents per pound, the duty per pound shall be two and one-

fourth times the duty imposed by this schedule on one pound of unwashed wool of the first class; valued at more than twenty cents per pound, the duty per pound shall be three and one-third times the duty imposed by this schedule on one pound of unwashed wool of the first class; and in addition thereto, on all of the foregoing, thirty per centum ad valorem.

This is a good substantial fulfilment of the recommendations made to the Committee on Ways and Means on behalf of the National Association of Wool Manufacturers. It establishes a separate duty for tops which bears a proper symmetrical relation to the whole plan of construction of Schedule K, and is, moreover, safely and honestly protective. It is, of course, an increase over the rate established in April by the Committee on Ways and Means, which was too high on low grade tops and too low on the higher grade tops. The securing of this separate and yet genuinely protective duty on tops, similar to the duty for which this Association contended in the tariff revision of 1897, is a result upon which the Association may well be congratulated.

The House bill had reduced from 40 to 25 per cent the ad valorem duty on yarns valued at not more than thirty cents per pound. It was urged on behalf of the manufacturers that this reduction of duty was excessive and dangerous, for the reason that low grade yarns were produced by cheap labor processes at a price in Europe that would inevitably lead to heavy importations if the ad valorem duty were cut so sharply as from 40 to 25 per cent. The Conference Committee, recognizing the force of our remonstrance, changed the new rate from 25 to 35 per cent ad valorem, at which point it is believed to be safely protective.

The Conference Committee agreed to a restoration of the proviso at the end of the cotton warp dress goods paragraph, which the House had stricken from its bill, but by way of compromise the Committee accepted the proposition making the duty covered by this proviso, on cotton warp dress goods weighing more than four ounces per square yard, 5 per cent less than the duty on cloths. This 5 per cent reduction is

interpreted as falling not on the ad valorem duty only, but on the total specific and ad valorem duty combined. It leaves what is regarded as adequate protection to the heavier cotton warp fabrics, and is acceptable to all manufacturers of such goods so far as heard from.

Thus the new tariff law contains in Schedule K only three changes from the Dingley law — the new and separate duty on tops, the reduction from 40 to 35 per cent in the ad valorem duty on yarns valued at not more than thirty cents per pound, and the reduction of 5 per cent in the total duty on cotton warp dress goods weighing less than four ounces per square yard. These are not merely nominal amendments. They apply to a considerable range of manufactures. But they are certainly not radical or destructive reductions, and altogether they constitute a smaller change than has been made in the process of tariff revision in any other important schedule in our tariff law. Considering the loud and bitter attacks upon the wool and woollen industry, inspired most of them by hostile interests overseas, this is a result which American wool growers and American wool manufacturers alike can view with a very considerable amount of satisfaction. They have met the enemy again, and again have won a decisive victory.

WINTHROP L. MARVIN.

WHERE HONOR IS DUE.

CHAIRMAN ALDRICH AND HIS INCALCULABLE SERVICE TO
THE BUSINESS OF AMERICA.

ALL those congratulations which his fellow Senators showered upon Chairman Aldrich after the conference report on the new tariff bill had been agreed to on August 5 were richly deserved, for they marked the final success of one of the most remarkable achievements in the whole history of American legislation.

The difficulties of law making grow with the growth of the country. The nation is richer by far, and its interests are both more important and more complex than they were at the beginning of the Dingley law twelve years ago, in 1897. Moreover, at that time the American people were heart-sick with the actual results of four years of so-called tariff-for-revenue-only, and were hungry for a change—for almost any change—of economic policy. The minority party, fearfully beaten in the Congressional elections of 1894 on the tariff issue, and beaten almost as disastrously again in 1896 on the silver issue, was thoroughly cowed, demoralized, and discredited, and was openly repudiating the free trade dogma which it had championed for sixty years. The Republican party in both Senate and House was united itself and felt a united country behind it, demanding the repeal of the ill-fated Gorman-Wilson law and the enactment of an honest and vigorous protective tariff. There was no disposition then to carp and quibble over the question whether an adequate tariff rate was 37 or 40 per cent; there were no frothy and mutinous “insurgents.” The American people wanted a restoration of the protective system and they wanted it at once. They were in no mood to measure the amount of protection by a microscope, nor were they at all disposed to be anxious lest some particular rate might give the American some undue advantage over the foreign manufacturer. They were very frankly willing that the American should have the benefit of the doubt.

FAR EASIER THEN THAN NOW.

The condition of the country's business after four years of Gorman-Wilsonism, and the temper of the popular mind made the tariff revision of 1897 a mere routine, perfunctory task as contrasted with the undertaking of 1908-1909. In this latter revision the National Administration and the Republican leadership in Congress had somewhat reluctantly yielded to a clamor for an overhauling and amendment of a good and proved tariff law — a clamor originally raised and systematically promoted by selfish alien interests that had everything to gain by a reduction and crippling of American protective legislation. In this clamor so many honest and well-meaning American citizens had joined that it seemed a matter politically expedient to reopen the tariff question and attempt a recasting and a partial scaling down of the Dingley law. The country had been led to believe, without any proper warrant, that tariff revision meant tariff reduction of an indiscriminate, horizontal character, with a view to a cheapening of all the necessities of life, regardless of the effect upon the wages of the workers who produce them.

LOOKING TO THE SENATE.

This was the situation which confronted Chairman Aldrich, when the actual work of tariff revision was taken in hand last autumn by the Committee on Ways and Means of the House of Representatives. It was inevitable, of course, that the House would yield more than it ought to, and more than it really believed ought to be yielded, trusting to the Senate to set the matter right and to secure the proper and necessary protection for every American industry. Mr. Aldrich began betimes his important work of preparation. Without the holding of formal and protracted hearings, he managed to take counsel with the men best equipped to speak for the actual conditions of American business. Many of these men told him nothing that he did not already know, but these did at least confirm his own judgment and information — and of all the men in public life Chairman Aldrich unquestionably has the firmest constant grasp upon the actual truth about the chief industrial interests of America.

After long and careful conference with representative business men and with his associates of the Committee on Finance, Chairman Aldrich constructed what was substantially the Senate alternative tariff bill, embodying the opinions of the "higher branch" as to what should be the general character of the new tariff legislation. This Senate bill was ready when the other measure came over from the House of Representatives, and Chairman Aldrich was then in a position to offer it promptly as a substitute, without wasting months over a minute comparison and reconstruction. This, of itself, was a great gain in time and efficiency, and the diligence of the Committee on Finance under the lead of Senator Aldrich unquestionably saved the business of the country millions of dollars that would have been wasted had the period of tariff agitation and suspense been prolonged into the present autumn.

THE MASTER OF THE SITUATION.

The Senate bill once introduced was vigorously pushed with all the sagacity and finesse of a consummate manager of legislation. Chairman Aldrich, like the able general he is, made skilful use of his lieutenants, but there was never any doubt as to who was the real leader in the field, the actual master of the situation. Schedule by schedule, paragraph by paragraph, the bill was brought forward, debated and agreed to on every point where agreement was possible, while the most contentious points only were postponed. Then these stormy questions themselves were taken up, patiently considered, and disposed of. All this, for one thing, was an extraordinarily severe test of physical endurance, for except through the prosiest of opposition speeches Chairman Aldrich had to be almost constantly in his seat in the Senate Chamber. Innumerable inquiries were directed to him, and although some of his associates thoroughly understood certain portions of the bill, no one else, of course, knew the whole bill so perfectly as he did.

But even more exacting than this physical test was the strain upon that fine courtesy and balance which have notably characterized Mr. Aldrich on the floor of Congress. For the

first time in Republican history, it was Republican Senators, or Republican Senators so-called, who were actually leading the opposition to a Republican protective tariff bill. The hostility of Mr. LaFollette of Wisconsin was to be taken for granted, but it was not assumed that he would command the eager and obsequious support of Senator Beveridge of Indiana, Senator Dolliver of Iowa, and others of the Republican group of "insurgents" that developed a strength of from seven to ten votes after the tariff debate had opened.

Loudly professing to be protectionists, these "insurgent" Senators attacked almost every schedule of the bill with speeches and amendments which in malevolent hate of the industrial manufacturing East went far beyond the assaults of such Bourbon Senators as Vest and Jones in the tariff revisions of 1894 and 1897. And right here the significant truth should be emphasized that these "insurgent" Senators were "downward revisionists" only on the products and the industries of other States. They were willing to raze to the foundations all the protection that the tariff gives to the manufacturers and wage-earners of New England, New York, Pennsylvania, and Ohio, but they were the most uncompromising of "standpatters" in insistence upon the very highest rates on the crude products, the raw materials, of their Western agriculture.

THE "INSURGENT" HOSTILITY.

Nevertheless, just as the defection of a friend is always harder to bear than the accustomed hate of a known enemy, this opposition of men who had been classed as Republicans involved a new and formidable difficulty in the management of the new tariff bill. Never before had there been such an adverse force on the Republican side of the Chamber. Moreover, not only did Mr. LaFollette consume an insufferable amount of time in his angry, theatrical speeches, but his tone toward the Chairman of the Committee on Finance was frequently almost one of insult, and Senator Dolliver was not far behind in acrimonious discourtesy. But while Mr. Aldrich naturally could not always smother his resentment, he never allowed his antagonists to swerve him from

his determination to keep the attention of the Senate steadily upon the supremely important public business, and not upon exciting but ephemeral personalities. He is a truly great and strong man who can so maintain his self-control against such exasperation through the fiery weeks of midsummer in Washington.

FINAL TRIUMPH IN THE SENATE.

Page by page the tariff bill was pushed along, in day sessions or night sessions. Other Senators could occasionally be absent, but the Commander-in-Chief, the Chairman of the great Committee on Finance, must always be on hand or within call, prepared, informed, and imperturbable. Thus May went by, and June and the first week in July, and with the crafty and malignant "insurgent" opposition fairly beaten out, the bill was passed on July 8 by the Senate. But even then the task was by no means ended. For President Taft had certain requests to make of the tariff conferees which raised questions of particular delicacy in the Senate. He asked for certain concessions which seemed like sacrifices from certain Republican Senators whose States were large producers of raw materials. It is probable that the adjustment of these final differences taxed Chairman Aldrich as heavily as all that had gone before. It is a crowning tribute to his wisdom, his fairness and his power of leadership that he was able to secure for that last clinching action the acceptance of the conference report, the votes of all of his fellow Republican Senators except the irreconcilable seven "insurgents," whose course throughout had marked them as Republicans in name alone.

For the prompt settlement of this tariff question, and for the protection of the interests of the producers of America, the whole country owes Senator Aldrich an immeasurable debt of gratitude. There are other strong men and good men in Senate and House who have borne a useful part in the tariff revision of 1908-1909, but the unmistakable figure that dominates the situation and will be best and longest remembered for the undertaking is the great senior Senator from Rhode Island, the masterful Chairman of the Committee on Finance.

THE FACTORY LAWS OF GREAT BRITAIN.

AN EXPERT AMERICAN REPORT UPON WOMEN AND CHILDREN AS WAGE-EARNERS IN BRITISH INDUSTRIES.

A VALUABLE report upon "Women and Child Wage-Earners in Great Britain," by Victor S. Clark, Ph.D., is contained in a recent Bulletin of the Bureau of Labor of the Department of Commerce and Labor in Washington. Dr. Clark states that the first English factory act was passed in 1802, to protect the health and morals of parish apprentices employed in cotton and woolen mills. It marked the transition from the old regulation of trade apprenticeship to the new factory legislation. In 1819 a second law prohibited the employment in cotton mills of any children under 9 years of age and limited the working hours of children under 16 years of age to 12 a day. The act of 1825 retained 16 years as the age of those whose hours of work were thus limited, but in 1831 this provision was extended to all young persons under 18, and night work by persons under 21 was forbidden. The act of 1833 extended these regulations to all textile industries, and required that children under 13 should be employed only 48 hours in one week and not more than 9 hours in one day, and factory inspectors were appointed to enforce the law. In certain respects, therefore, the laws regulating the employment of children were more advanced in Great Britain 75 years ago than they are in some American States at the present time.

The effect of these acts was to cause women to be substituted for children in low-paid occupations. Many arguments, both physiological and moral, were urged against unregulated female employment, especially at night, and in 1844 women were brought under the provisions hitherto applying to young persons.

For 25 years prior to 1850 there was agitation in England in favor of a 10-hour day for factory women and children. In 1847 such a law was passed, but employers were allowed so much latitude in selecting the period within which the

10 hours should be worked as largely to nullify its benefit. Three years later the working hours were increased to 10½, but required to be continuous except for meals. The next 20 years saw little addition to the law, but witnessed its extension to nearly all manufacturing establishments, and increasing efficiency in its administration. In 1874 the hours of females and children employed in textile mills were reduced to 56½ per week. From this time opinion began to be divided as to the desirability of laws limiting the working conditions of women. A party supported by some women workers maintained that these regulations made employers prefer men in occupations previously filled by women, and thus drove the latter out of positions. Recently woman suffragists have denied the right of a parliament elected exclusively by male voters to make regulations applying only to women. There seems to be more opposition from these sources than from employers to the further regulation of women's work in Great Britain. Meantime the act was extended to workshops, and, partly on account of the opposition to restricting female employment, was given only limited application to women workers in shops where no children were employed, while in domestic workshops, employing no persons outside of members of the family, women were entirely freed from regulation. This was no boon to the latter; for these exempted shops have since proved the chief seats of long hours, low wages, insanitary conditions, and all the other evils of sweating.

CHILDREN IN FACTORIES.

A child may begin working in a factory or workshop, or above ground at a mine, when 12 years old, providing (1) that it secures a certificate of physical fitness from an official examining surgeon, (2) that it has passed in school a certain required standard set by the local authorities, and (3) that it continues to attend school regularly half time. Half timers may work either alternate days or in morning or afternoon shifts, attending school the remaining days or shifts. In the latter case the shifts must be alternated each successive week. At 13 years old a child with the proper physical

certificate may begin working full time in a factory, or underground in a mine, provided it has passed the fifth grade or has attended school five full years of "350 attendances" since it was five years old. Otherwise a child remains a half timer until 14. At 14 children become "young persons" in the eyes of the British law and remain so until 18 years old. There is no further educational requirement, but in order to acquire this status they must be reëxamined and must secure a new physical certificate from the certifying surgeon. In textile factories young persons may work, subject to the legal meal intervals, from 6 or 7 A.M. to 6 or 7 P.M., respectively, so long as the aggregate hours do not exceed $55\frac{1}{2}$ weekly, and in other factories either the same hours or from 8 A.M. to 8 P.M., and not more than 60 hours in one week. There is a short day Saturday. Women are in most cases subject to the same regulations as young persons, except that in certain industries they may work a limited amount of overtime. When working in his family, termed by the law in a "domestic workshop," a child may be employed only half time, and a young person may work only between 6 A.M. and 9 P.M., ordinary days, with $4\frac{1}{2}$ hours of intermission, and from 6 A.M. to 4 P.M. on Saturdays, with $2\frac{1}{2}$ hours intermission. Women in domestic workshops may work the hours they please any day but Sunday.

In textile factories 2 hours of the 12 must be allowed for meals, and in other factories and in shops $1\frac{1}{2}$ hours; and in these two classes of factories, respectively, the meal hours must not be more than $4\frac{1}{2}$ or 5 hours apart.

ADMINISTRATION OF THE FACTORY LAWS.

The various laws regulating conditions of work in Great Britain are enforced by four groups of inspectors — factory inspectors, mines inspectors, and railway inspectors, all of whom are officials of the central government, and public health officers and other inspectors appointed by local authorities. The factory, mine, and railway inspectors have distinct spheres of jurisdiction; but all of them, and especially the factory inspectors, may be called upon to coöperate with the officers of the local government. Laws affecting

women and children employed in commercial, as distinct from industrial, pursuits are for the most part administered solely by the local authorities. Such, for instance, are the Seats for Shop Assistants Act, 1899; the Shop Hours Act, 1892 and 1904, and the Employment of Children Act, 1903. Municipal officers coöperate with factory inspectors principally in sanitation and education. Local building ordinances govern the construction and arrangement of factories and workshops; but these must conform also to the requirements of the factory laws as to space, light, ventilation, fire protection, and general sanitation. The relations between factory inspectors and local health officers are so regulated that if the latter neglect to enforce acceptable regulations in the matters subject to their special jurisdiction the factory inspector, upon authorization by the secretary of state, may himself issue and enforce the necessary orders. He can recover the expense from the local government. The factory inspector may require the assistance of the city police to enforce any provision of the act. Local educational authorities prescribe the standard of school advancement for half-time certificates, and may forbid half time altogether, as in certain cities (notably London) they have done. They also work together with the factory department in enforcing the compulsory-education law.

There are now 200 factory inspectors, including office staffs. Under their scrutiny are five and a half million employees and over a quarter of a million factories and workshops. Assisting these are the local inspectors mentioned and more than 2000 certifying surgeons. These surgeons are not salaried, but receive a fee from the employer for each prospective worker examined. Unless a factory has fewer than 5 employees the physical examination must be at the factory itself, and is issued for employment in that factory, and, as just stated, for certain occupations. Therefore, usually no question can arise as to the identity of the child holding the certificate; and since the surgeon has nearly the same rights of visitation as the factory inspector, he can satisfy himself as to sanitary conditions and protection from dangerous machinery in the places where the child will work.

Most of the male factory inspectors are men who previously to entering this work were practically familiar with manufacturing, while several of the female inspectors have been drawn from the ranks of social workers. Of the men on the staff in 1907, 49 were engineers, 20 had been manufacturers or managers of works, and 20 were scientists or teachers of science or of engineering. Seven were university men, 16 had been transferred from other government departments, 24 had been either workingmen in factories or trade-union officials, and 11 had held clerical positions. The army furnished 2 inspectors and the law 1. Of the lady inspectors 5 had previously been in local sanitary departments.

Even with the increased force, each inspector available for field work must look after the welfare of nearly 30,000 workers—the population of a city. In Massachusetts, where there are separate inspectors for steam boilers and where local authorities enforce rather more provisions of the law than do the local authorities in Great Britain, there are more than ten times this number of inspectors in proportion to the workers to whom the law applies; and in some other Northern States the proportion seems to be larger than in Great Britain. But in our Southern States as yet there is practically no provision for enforcing by direct inspection the laws recently enacted in regard to woman and child workers. And in the United Kingdom the congestion of population and industries makes a relatively smaller force more adequate than it would be in America.

PROPOSED AMENDMENTS.

In Great Britain there is now no such opposition to factory legislation as still evidences itself in some parts of America. No employer or representative of employers was heard to criticise the act as a whole, and there was but mild objection to any of its details. Undoubtedly among smaller works and in the sweatshop districts one might encounter struggling proprietors competing with large manufacturers under the disadvantage of insufficient capital and amid uneconomic conditions, who see in the demands for modern sanitation and regulated employment extortions that foreshadow their

own ruin. But these people are few and growing fewer, and do not make public opinion outside their class. The great main current of thought and sympathy among the mass of the nation, including both employers and workers, not only favors present regulations but is not averse to extending them.

The present tendency, as indicated by the more recent amendments, is to bring new and quasi-manufacturing industries — such as laundry work — under the law, and greatly to amplify the regulations governing dangerous trades. Apart from the constant agitation to increase the number of inspectors, which has just led to considerable results, there are three chief lines of amendment advocated by those who wish to strengthen the law. One is to carry forward the general movement to shorten hours by reducing the weekly period of factory labor; the second is to abolish half time, thus doing away with what is called in England child labor by making the lowest age of beginners in shops and factories fourteen years; and the third, and most important politically and economically, is to regulate sweating by establishing a legal minimum wage. The third proposal would introduce a hitherto unrecognized principle into British factory legislation.

The agitation for shorter hours is not so active as it would be were not labor unions, improved machinery, and the general transformation of industry bringing these about without further assistance from legislation. In many industries and establishments women and children are not at present employed the full hours allowed by law, because better results are obtained by a shorter working day. But during the recent boom in textiles some factories where piecework rates are paid and where employees are not always averse to evading the regulations, there is still "time cribbing," or running the machinery a trifle over the legal time, especially at meal intervals. The present depression will probably stop most of this for the time being, because there is not sufficient work to keep the mills going full hours.

WHAT OF FREE HIDES?

A STRANGE ATTACK FROM THIS SOURCE ON THE TEXTILE INDUSTRIES OF NEW ENGLAND.

AT a meeting the other day of shoe and leather men in Boston to congratulate Mr. Charles H. Jones of the Commonwealth Company for his successful work on behalf of free hides, the recipient of these felicitations went far out of his way to indulge in uncalled-for and ungenerous attacks upon other important New England industries.

Mr. Jones, as quoted in the "Boston Transcript," declared that the shoe manufacturers had felt it wise to go to Washington and "give more than they asked," "while some of the business enterprises of New England, already crippled and dwarfed by too much protection, still cried for more." He thereupon read figures to the effect that the duties collected on manufactures of cotton had represented an ad valorem rate of 52.32 per cent, and the duties on wool manufactures an ad valorem rate of 62.95 per cent, and went on to say:

We have furnished the people of this country with shoes at as low a price as they can be obtained on earth and have paid our employees the highest American rate of wages. These figures seem to indicate that the cotton manufacturers have obliged the people to pay \$34,000,000 more for goods than the world's price on those imported in a single year, besides a proportional amount on the goods manufactured at home.

I don't believe that the tariff which these interests insisted upon is necessary, but that it was urged for undue profit. It is this selfish, grasping spirit as shown over the tariff bill that is causing New England to be a byword all over the country. When the next tariff bill comes up it is that spirit that must be met and the other New England industries must go down to Washington prepared to meet the demands of the people for lower rates or the entire tariff system will be upset.

Now the textile manufacturers of New England wish the shoe and leather people well, and are not at all disposed to begrudge them any benefit that may accrue from free hides. The textile industries have kept their hands off the free hide fight in Congress, and have strictly minded their own business in the long processes of tariff framing. It is a pity that Mr. Jones has not had the courtesy and wisdom to reciprocate. He made ill use of the hour of his triumph to carp and sneer at other great business interests quite as important to the welfare of New England and the country as the industry which he himself represents. His attack, so gratuitous and unexpected, not only justifies but demands an answer from the industries which he has assailed.

In the first place, it is simply not true that the cotton and wool manufacture "cried for more" protection. The cotton manufacture asked for and received a change in the form of much of its protection from ad valorem to specific duties, but it was demonstrated by the best expert authority in the Government service that this change embodied no actual average increase of rates. There was an increase in the protection on mercerized goods, but this represented no real "revision upward," because when the Dingley law was framed the process of mercerization was relatively unknown and wholly unallowed for. The wool manufacture did not ask for and did not receive "more" protection of any kind. The only changes in this schedule are downward, and the only suggestion of any change from New England was for a reduction and not an increase. On this point, therefore, it is manifest at the outset that Mr. Jones is grossly uninformed and unfair to New England interests.

THE TEXTILE A COMPLEX INDUSTRY.

This self-appointed critic of New England textile industries may know his own business, but he certainly does not know anything about the very different and highly complex, scientific business of modern wool and cotton manufacturing. By the side of a representative New England woolen or cotton mill, a shoe shop is a relatively simple and almost crude

institution. The shoe shop is virtually a mere assembling plant, receiving its materials already in a completely or at least partially manufactured condition, and putting them together into a finished shoe. This brief and easy process is not comparable with the undertaking of the textile manufacturer who receives his material in the rawest of raw state, and is forced to go through all the processes of preparation and advancement, from the cleansing and separating of the tangled and dirty natural fiber to the spinning of the yarn and the weaving of the finished cloth. It is clearly conceivable to any man not hopelessly blinded in his own conceit or invincible ignorance or prejudice that it is quite possible and reasonable that the cotton manufacture, or the wool manufacture with its material dutiable at 45 per cent, may require a higher rate of protection than the less complex and ambitious trade of shoe making.

It would be preposterous to frame a tariff on the cast-iron basis of 25 or 40 per cent of protection to all industries. Some might be sufficiently protected with less than this, but some would certainly require more. Cost of materials, wages, and other conditions of employment, and the pressure of foreign competition vary widely from industry to industry. The natural resources of the country favor some industries above others. Mr. Jones boasts that the shoe business can get along with a very small degree of protection. Perhaps it can, but the cries of alarm and disgust that have been arising from manufacturers all over New England at the unexpectedly low rates fixed by the tariff makers in the final conference suggest that the tariff on some kinds of shoes has been cut below the danger point, and that there is an admirable prospect that before the first year of the new tariff law is out the industry which Mr. Jones represents as "giving more than it asked" may be besieging the doors of an indifferent Congress for some robust "revision upward." If there is such a demand, because the 10 per cent duty encourages the flooding of our markets with cheap shoes from Canada, Belgium, or Japan, the mischief that has been done cannot be and will not be undone. A new tariff is made to stand

unaltered not for a year or two, but for ten years or longer, and with all the labor and confusion and exasperation of the late revision fresh in mind, Congress will never dream of reopening any particular schedule for the relief of one special industry. The shoe manufacture demanded free hides ; it has won them, at a higher cost than was anticipated. It has made its bargain and this has proved a hard one, but the whole industry is inexorably bound by its provisions and must abide the result, however painful and disastrous.

AN IMPLIED ATTACK ON OUR SENATORS.

At this very meeting, where Mr. Jones went so far out of his way to assail the cotton and woolen schedules protecting great New England interests, there were loud plaudits for several of the New England Senators. Has it not occurred to Mr. Jones and his associates that an attack upon the textile schedules is by directest implication an assault upon these Senators themselves ? They all stood out unequivocally for protection for our cotton and woolen mills. They approved the existing schedules and advocated them and gave their votes to their adoption. Does Mr. Jones deliberately mean to say that our New England Senators are animated by a selfish and grasping spirit ? Does he eulogize these able and distinguished men in one breath and denounce them in another ? The New England Senators in times past have had more to do, perhaps, than the Senators from any other sections of the country in the framing and maintenance of those sections of the tariff providing protection for textile manufacturing. They have given in years past a great deal more attention to our textile interests than they have to any clamor for free hides, and they have spoken and voted with good understanding of the needs of the cotton and wool manufacturing industries of New England. It will not lessen the disappointment and perplexity of our New England Senators in the manifest failure of the free hide project to note that some of the free hide champions are as blind to gratitude as they are to consistency, and are sharply

criticising them for their action on other schedules of the tariff.

SHOES NO CHEAPER.

Meanwhile what are the immediate fruits of "free hides" to that much-exploited individual, the "American consumer"? Where are the "cheaper shoes" that were promised to the Western farmers and the Eastern workingmen? It is already confessed by the shoe manufacturers themselves that this promise is not going to be fulfilled. Only a day or two ago, one of the most radical free trade newspapers in this country, the particular organ of the foreign importing interests at New York, which had advocated free hides as a blow at the protective system, acknowledged in large headlines that "Cheaper Shoes Will Not Follow the New Tariff," and quoted the shoe wholesalers of New York as predicting not only no reduction but an actual advance in the price of footwear. In other words, the people have been fooled.

FOREIGNERS POCKETING THE DUTY.

Now this same free trade newspaper, in another market report on the hide and leather situation, makes the edifying announcement that "European Hide Markets Gain by the New Tariff—Prices Advanced a Total of 15 Per Cent as a Result." A member of one of the large firms in New York City dealing in foreign and domestic leathers is quoted as citing from a letter which he had just received from his agent in the hide and skin markets of Europe. This letter, written soon after the new tariff went into effect, was in part as follows:

What effect this new law will have on the business of raw calfskins cannot be foretold at this time, but the effects on the European hide market are already apparent, and not at all favorable. The Paris auction, in the latter part of July, and that in Berlin, at the beginning of this month, showed a very firm tendency in hides, due solely to the fact that people were quite certain of hides becoming duty free in the States.

Both in Paris and Berlin hides have now (since the removal of the duty) advanced in the aggregate about 15 per cent, and that for American consumption. In other words, the duty which up to a short time ago went to the customs house has been transferred to hide houses and buying combinations.

This New York free trade newspaper goes on to declare :

The situation in the European hide and skin markets described in this letter is paralleled by the South American markets, especially that of Argentina. Both dry and wet salted hides advanced in that market before and after the settlement of the tariff.

In other words, the foreign producers of hides in South America and elsewhere are putting into their own pockets the entire amount of the duty that has been removed by a benevolent Congress. Naturally, the shoe manufacturers and wholesale dealers of this country are constrained to announce that "Cheaper Shoes Will Not Follow the New Tariff."

This exactly verifies the prediction of those who sounded the warning three years ago that "free hides" would be purchased at a dear cost to New England, and would not result in any benefit whatsoever to the men and women who bought and wore the shoes. It was pointed out then on indisputable authority that more than three-fourths of the foreign hides and skins imported for footwear and other manufactures of leather were already free of duty and had been since 1873, and that these free hides and skins were being utilized for the making of all but a trivial part of the kinds of shoes commonly worn by the American people. It was insisted then that the promise of cheaper shoes as the outcome of the removal of the duty from the heavy hides of cattle was a palpable fraud and delusion of the purchaser. Now this fact is conspicuously acknowledged by the chief promoters of free hides, who have accomplished their purpose and can, therefore, admit that they have deliberately deceived Congress and the country. But for all this there is bound to be a stern day of reckoning.

WAS THE PRESIDENT DECEIVED?

The advocates of "free hides" owe their success wholly to the intervention of the President. Without his powerful assistance they would inevitably have been defeated, and might have had the added humiliation of seeing a duty placed upon calf-skins and goat-skins now admitted free. It would be very interesting to know how far Mr. Taft's action was influenced by the expectation if not the absolute promise that free hides would mean a reduction in the price of shoes and an immediate and important advantage to the so-called consumers among the population of the republic. These pronunciamientos now appearing in the trade newspapers that there will be no reduction in the cost of footwear, and that the remission of the duty is going wholly into the pockets of foreign cattlemen and foreign merchants, may well provoke His Excellency to consider whether he has not made a serious technical mistake in espousing the cause of men who on their own confession have woefully misrepresented the facts in the case and misled and robbed the American people.

It is the very acme of effrontery for the men who are responsible for this to attempt to read a lecture to other New England industries against the vice of greed and double-dealing. In his recent attack upon the cotton manufacture and the wool manufacture, Mr. Jones accused them of extorting "more profit" in the new tariff legislation, and went on to declare:

It is this selfish, grasping spirit as shown over the tariff bill that is causing New England to be a byword all over the country.

Nothing could well be more unjust or impertinent or outrageous than this accusation from a man who has just been engaged in an act of deliberate warfare on the agricultural interests of the South and West. Those agricultural interests have no quarrel with the cotton manufacture or the wool manufacture of New England. The farmers of the South realize thoroughly that their prosperity is bound up in the

prosperity of the cotton mills of Maine, New Hampshire, Massachusetts, and Rhode Island, and the farmers and ranchmen of the West realize well the interdependence of the men who raise the wool and the men who spin the yarn and weave the fabrics. Mr. Jones has been a constant attendant upon the sessions of Congress, and he cannot but be aware that the most earnest and conspicuous champions of the tariff duties protecting alike the growers and the manufacturers of wool were three characteristic Western Senators, Warren of Wyoming, Carter of Montana, and Smoot of Utah. They recognized, as all the other Western protectionists in Congress realized, that New England and the other wool manufacturing States were in favor of a "square deal" with the Western men who produced their indispensable material, and that they were not asking protection for the things they had to sell and demanding free trade in the things they purchased.

WHAT DOES HURT NEW ENGLAND.

If New England is indeed a "byword all over the country," it is the narrowness and greed of the selfish advocates of free hides and protected shoes and leather that have made it so. Time and time again, significant warnings of the resentment of the West against this particular kind of blind New England sectionalism have been sounded in Congress by Senators and Representatives of the agricultural States. As Senator Warren said in his able and earnest protest against the free hide proposal:

The farmers, never enthusiastic protectionists, for the reason that they have so many things to buy, all of them protected, and so few things to sell to which a protective tariff can be of any benefit, are naturally sensitive about the few things, such as hides, wool, and so forth, which are really their finished product and upon which they do get the direct benefit of protection.

This general onslaught and demand for free raw materials which comes from outside of this Chamber, and which has finally resulted in the farmer alone furnishing the one sacrifice, will plainly demonstrate to the farmer that this is but

the entering wedge toward taking away from him every scintilla of protection which the present laws afford him.

In an earlier address Senator Warren said :

We do not envy Massachusetts her great prosperity. We all rejoice in it, but we do not propose to have her gain still greater prosperity at the expense of our Western customers.

The West and South do not resent the desire of New England for adequate protection to her manufacturing. What they do resent, and what has actually done more to injure and discredit New England before the country than anything else in many years, is this very movement for free hides — for free raw materials — of which Mr. Jones was the reputed chief engineer in Washington. There was only one fair and honorable way in which the advocates of free hides could go before Congress and the country, and that was to proclaim their willingness to swallow their own prescription, and to consent to reciprocate for free hides by free boots and shoes, free leather and free harness. This the Eastern manufacturers generally refused to do. While demanding free trade for their materials, they insisted upon protection for the products of their factories. They succeeded in retaining some of that protection — not so much as they wanted, but more than the agricultural interests thought they ought to have and were willing to grant. So pronounced and bitter was the Western indignation at the selfishness and greed of the shoe and leather manufacturers that a perfecting amendment reducing their protection was introduced and forced into the conference report at the very end of the session, under the threat of the agricultural States that there would be no new tariff unless this concession were made.

The Eastern advocates of free hides have been sowing the wind, and they will most assuredly reap the whirlwind. Three years ago, in a protest against the fatuous free raw material demand, this emphatic warning was given by a textile manufacturer of New England :

The present legislation is dangerous. An effort to relegate to the free list the products of the farms and ranches of the Middle and Far West will tend to alienate sections which have stood steadfastly for our present system. If such effort succeeds in spite of the opposition of the West, which is increasing rapidly in political power, retaliation will supplant coöperation, and when the next tariff law is to be framed the manifold interests of Massachusetts and New England may be less favorably treated than under the present act.

This diagnosis of the temper of the West has been exactly confirmed by recent developments in Washington. The champions of free hides have won a Pyrrhic victory. They have paid the heavy price of arousing Western wrath and hatred. They are plainly frightened by the consequences of their act, but they must face the day of their inevitable reckoning. We object to their attempt to shoulder off the blame upon the textile manufacturers of New England.

ADVICE FOR THE TEXTILE WORKERS.

ADDRESS OF WILLIAM WHITMAN BEFORE THE GRADUATING CLASS OF THE NEW BEDFORD TEXTILE SCHOOL.

AT the graduating exercises of the New Bedford Textile School on June 18, William Whitman of Boston delivered an address on the theme, "The Opportunities and Qualifications of the Textile Worker." Mr. Whitman said :

It is for many reasons a pleasure to have an opportunity to speak before the graduating class of the New Bedford Textile School. The interests of the textile manufacturers of New Bedford, of whom I have for many years been one, and the interests of your school and its graduates are bound closely together by industrial and commercial ties. All are animated by a common purpose and coöperating towards a common end—the growth and development of the manufacture of cotton, in which your city is so much interested, and with especial regard to which your school was established. The field for reform and improvement in this industry, upon which such growth and development depends, is broad. It presents to each worker, whatever his previous training and whatever his sphere of activity, whether it be high or low, opportunities worthy of his highest ambition, and calling for the exercise of his highest skill and capabilities.

I hope, therefore, that it may serve some useful purpose if, after more than fifty years of observation and experience in the textile industry, I endeavor briefly to point out some of the opportunities of the textile worker of the present day, and some of the qualifications essential to the grasping of such opportunities.

The industry is vast in its extent and complexity. In the years 1904–1905 75 per cent of the raw cotton of the world was produced in the United States. The United States is the nearest competitor of Great Britain for the cotton goods trade of the world. In your own city the industry has

grown by leaps and bounds within recent years, and it is still growing. Its power and promise for further expansion in your city cannot be better shown than by the following facts. In an address before your Board of Trade in May, 1907, just before the recent business panic, on "The Future of Cotton Manufacturing in New Bedford," I called attention to the fact that at that time there were several new and large textile mills in course of erection: that others were being either enlarged or improved: and that the building of more mills was contemplated in the near future. Since that time we have been through and not wholly recovered from one of the most disastrous business panics in the history of the country, and yet the same thing is true to-day as then. Again new mills are in process of erection or in contemplation. The cotton industry of New Bedford presents great opportunities to the graduates of its textile schools and its textile workers.

It is of peculiar importance to Massachusetts that her textile workers should be encouraged and given full opportunity to carry their industry to a higher state of perfection. I can see no way of securing for the people of our Commonwealth that steady and profitable employment under the best possible conditions upon which their prosperity depends, except through her manufacturing industries. Massachusetts occupies an anomalous position as a great manufacturing center in being so far from her source of supplies. She is dependent upon distant States for all her fuel both for domestic and manufacturing purposes. A very large proportion of her food supply is drawn from without her borders, and she imports all her raw materials for manufacture. Notwithstanding these natural disadvantages, Massachusetts is one of the most prosperous communities in the world. This is due to enterprise, sagacity, honesty, thrift, and industry of her citizens. The chief source of her prosperity for more than half a century has been the textile industries. If her prosperity is to continue, her textile industries must continue, and graduates of our technical schools like yours must be prime factors in carrying them on. Natural disadvantages

must be counterbalanced by greater skill, and greater skill means increased opportunities and reward for the worker.

From the earliest times the national policy has been to foster our manufacturing industries and especially during the last forty years, which mark their greatest development. Our Commonwealth has only recently lent a helping hand and there is yet much for her to do.

The textile manufacturers of Massachusetts many years ago realized the great need of technical education to advance their industries; free it from dependence on foreign countries for its skilled labor and superintendence, and give it a character distinctly American. My own public advocacy of textile training began as long ago as 1879 in an address delivered at a banquet given to the National Association of Wool Manufacturers by the wool merchants and the wool manufacturers of Philadelphia. At that time it did not appear possible that support could be secured from the State and cities for founding and maintaining textile schools. Happily a great change has taken place in public sentiment in this regard and since the establishment of the Philadelphia Textile School, the first school in this country, in 1885, the movement has gone steadily on. The great interest which has been aroused in the development of the industries of our Commonwealth is still further shown by the fact that our Legislature in 1906 established a Commission for Industrial Education charged with the duty of extending the investigation of methods of industrial training and of local needs. All these things tend to carry our industry in this State to a higher plane, with constantly increasing need and opportunity for greater skill and knowledge in all its branches.

The manufacturing industries of Massachusetts give direct employment to 539,000 workers, or more than one-sixth of the entire population. This is exclusive of clerks, managers, salesmen, and other officials, and is also exclusive of all persons employed in other industries, trades, and professions that are indirectly but closely allied with and largely dependent upon them. The capital invested in these industries is more than \$965,000,000. The value of the annual product

is more than \$1,364,431,000, and the annual payment of wages is more than \$278,000,000. The capital invested in the textile industries of Massachusetts is more than \$290,000-000. They furnish direct employment to more than 205,000 work people with an annual payroll of over \$90,000,000 and an annual product valued at \$441,000,000, equivalent to over 32 per cent of all her manufacturing industries.

In the branch of the textile industry in which your city is particularly interested, the cotton manufacture, it seems to me that the growth can be limited only by the amount of the raw material, cotton, to be produced, and by the labor that can be secured for its manufacture. Cotton is the cheapest as well as the most useful fiber known. Cotton manufactures form the cheapest, most useful, most indispensable and most extensive part of the clothing of the great human family. Its use is not confined to any country or any climate, and will probably be greatly expanded in the immediate future to supply the needs of the people of those countries which have hitherto been practically inaccessible and which are now being opened up by railways and other means of rapid transportation and communication.

It is to aid in the development of industries like this that textile schools such as yours have been founded. The opportunities for special education and training so created bring with them increased responsibility. The work of such schools is wasted unless their graduates use their special education and training for the common benefit in up-building some industry.

The problems involved in the up-building of an industry so great as the textile industry, and one affecting so vitally the needs and comforts of every individual in the community, may well engage your best thought and most earnest efforts.

The new President of the Massachusetts Institute of Technology in his inaugural address a few days ago, said:

The quickness with which the different nations grasped the vital fact that the problems of production and distribution are to-day problems of science might be used as a touchstone of their intelligence.

Massachusetts may congratulate itself in having been among the first to foresee the change.

With this brief outline of the field of opportunities open to you, permit me to spend a few minutes in suggesting what appear to me to be some of the qualities most essential in the men, particularly the graduates of textile schools, who are to carry on the varied work of our industry, if they are to meet with success.

Some of you are already and have been perhaps for some years workers in the industry, and have now qualified yourselves to do your work more efficiently. Others have had no especial connection with the industry and are now starting on their life work for the first time. In proportion as you have availed yourselves of the opportunities given, you are prepared to assume greater or less responsibility in carrying on the practical work which is before you. Some of you doubtless hope to attain positions of direction and superintendence, but before you can hope for this you must pass through a long period of probation and training in the mills.

You will each soon learn that you are part of a complex organization in which each has his own essential work to perform. One will contribute artistic skill and another mechanical skill, and in proportion as you perform your work carefully and intelligently, may you hope in the future to rise to positions of superintendence and management in the industry. The finished product in any industry is a result of common effort. Each man in his place from highest to lowest must do his best. The chain is no stronger than its weakest link. In order that this common effort may produce effective results, the different parts of the organization must work harmoniously. Each of you must be obedient to those placed in authority over you. You must give their instructions the closest attention and be faithful in executing them. Be a willing worker, doing cheerfully whatever you may be called upon to do. Do your work and govern your conduct in such a way that those over you may learn to place absolute dependence upon you. Do nothing in a perfunctory manner,

but use your brain as well as your hands. Never allow yourself to think that there is nothing more for you to learn. You cannot know too much about your work. My advice is to master it in theory as well as in practice. Do what comes to your hands to do "and what thy hand finds to do, do it with all thy might."

While your labor may be bodily labor, there will be afforded ample opportunity for brain work. Learn the nature, qualities, and characteristics of the materials used. Study the mechanism and principles of the different machines operated and the relations of the different parts of each to the whole. Keep abreast with new improvements in machinery. All of these things your present education should aid you to learn and understand. "By the work one knows the workman." A master workman is always in demand among employers and he is an absolutely independent man. Your skill as a workman is your capital and it cannot be taken away from you. When you have become a master workman in one department you are qualified for another. Learn to get along with your fellows. The ability to manage employees is equally as essential as technical knowledge, if you hope to rise to positions of superintendence.

Give a large portion of your time outside of working hours to reading and study about matters indirectly as well as directly connected with your work, for you will find, as I have found, that all knowledge that you may acquire will at some time become useful in your work. If you seek higher positions you must cultivate yourself in an all around way to be qualified to fill them. Cultivate self-reliance. One must have confidence in one's self in order to inspire confidence in others.

With ambition, industry, the intelligent acquisition and the intelligent application of knowledge of your business and with integrity, there is no reason why each one of you may not hope for marked success in your work.

I have now endeavored to point out some of the opportunities which present themselves for your advancement as individuals, if you are willing to qualify yourselves to do

your work conscientiously and well. Let me turn for a moment to one of the broader aspects of mill life, in its relations to the welfare of the community and State, one having a vital influence upon the creation and development of those basic elements of character upon which true success in any walk of life can alone be built. I refer to the matter of environment.

We are said to be the products of our environment, and though this may be but a partial expression of the truth. I cannot urge upon you too strongly, as men who have had special opportunities and advantages, to study the conditions which surround you in your daily life and make them better if you can.

The evolution from domestic handicraft to our modern factory system has resulted in serious social changes. The loom and the spindle have vanished from the home. The home itself has passed from the simple community, such as the country village or thinly populated town, to the large manufacturing community, thickly settled, and surrounded with all the problematical conditions of city life. The tendency of the textile industry, and of all manufacturing industries, is toward closely settled communities. Perhaps this is the tendency of our whole civilization. There are those who maintain that it is.

We have then to consider and reckon with this modern tendency and its effects, and I wish to mention briefly, without outlining an argument, some things which I think it is important for you to bear in mind.

Consider, first, the physical conditions that surround the textile worker at his work. They have steadily improved. The modern textile mill is light and clean and well ventilated. The humidity and temperature of the atmosphere are scientifically regulated. The sanitation is good. The health of our mill operatives is well cared for. Their physical safety is insured as far as possible. Dangerous machines are safeguarded, and every means is adopted to avoid injury or accident.

Legislation and mill engineering have combined to make

the modern textile mill pleasant, healthy, and safe for the worker; and, gentlemen, I am proud to say that this has been done in the textile industry perhaps to a greater extent than in any other manufacturing industry in this country. Such improved conditions tend to uphold the dignity of labor, and I cannot refrain at this time from paying a tribute to the city of New Bedford as a manufacturing community. The splendid conditions under which its laboring people work are too well known to you to need description. The manufacturing community in which you have been brought up has, in my opinion, done as much to uphold the dignity of labor as any other similar community in the world. You should be proud of these things, and find in them an incentive to keep up the good work.

But in our zeal to better conditions during hours of work, we must not forget other conditions which are as important, though often overlooked — the conditions that surround the textile worker, outside of working hours — the conditions of his home, and the general conditions that govern his social life. The betterment of these conditions has been called "Social Engineering." It is a difficult kind of engineering, but we should become skilled in it and use our best endeavors to make all these conditions attractive in our large, closely settled manufacturing communities. Here is a worthy mission for the graduates of this school.

The home means so much to the family and to the Commonwealth that it should have our first thought. There is nothing in life that can take its place. The greatest human happiness, and I believe in a last analysis the greatest human efficiency, come from home conditions. Material wealth can build magnificent temples, endow great libraries, found hospitals and do many other good works, but it cannot make a home. Others cannot make homes for us, — we must make them for ourselves. We cannot make homes for others, but we can put others in the way of making happy homes for themselves, and encourage them to do so, by the example of our own lives. Similarly, we should use our efforts to enable our mill operatives to enjoy healthy and happy social

relationships with each other. Our field of influence should extend beyond the mills. It is a short-sighted employer who does not realize that to help his employees in these ways is to help himself, just as it is a short-sighted employee who fails to realize that his employer's prosperity is, in a sense, his own. The employee should feel that if his employer grows wealthy it will help him, and the employer should feel that he gains by helping his employee to be healthy, happy, and contented with his work and his surroundings.

But, gentlemen, apart from such considerations as these, which may be called "economic," it is eminently right that every one of us in the industry should try to bring about the conditions which I have mentioned. Such effort forms a part of the very process of civilization. New Bedford has done much in this regard. She stands preëminent. You must help her maintain her present standard.

Obituary.

THOMAS W. SYKES (*with portrait*).

ONE of the foremost of the textile manufacturers in New England is lost to the country in the death of Mr. Thomas W. Sykes, President of the Minterburn Manufacturing Company of Rockville, Conn., and long superintendent and general manager of the North Adams Manufacturing Company of North Adams, Mass. Beginning as a boy working on a broad loom at Millville, Mass., he had risen from one post to another in the woolen industry, and he had long been recognized as one of the most capable, practical men of his calling in this country. He was a man of singularly attractive character.

Mr. Sykes was brought to Millville as a child by his parents from Honley, near Huddersfield, Yorkshire, England, where he was born on November 16, 1842. After his early training in the establishment of E. S. Hall & Co. in Millville, he went to Cavendish, Vt., to learn the dyeing business, and became boss dyer there. Then he passed several years in the West, but returning to New England he established himself in Adams as boss dyer of the Maple Grove Company. Subsequently he was boss dyer with the Glen Mill and with Tyler & Bliss in North Adams.

It was in March, 1873, while temporarily in charge of the Hockanum Mills in Rockville during the absence of his brother George in Europe, that Mr. Sykes was offered the post of superintendent and general manager of the North Adams Manufacturing Company. He accepted this opportunity, and made splendid use of it, remaining in North Adams for thirty-three years and proving a remarkably capable and successful manager. Moreover, Mr. Sykes developed in North Adams a notable public spirit, and became known as one of the most conspicuous and useful citizens of that part of Massachusetts. He was associated with the North Adams Trust Company, the Hoosac Savings Bank, the Young Men's Christian Association, and the Masonic Order. He was a liberal giver in North Adams to the Grand Army of the Republic. Mr. Sykes read widely and spoke easily and well on public questions or literary themes.

He was an ardent admirer of President Lincoln, and in later years a close friend of Senator Winthrop Murray Crane. Mr. Sykes was affiliated with the Congregational church, and in politics was an active Republican. There was keen regret in North Adams when Mr. Sykes determined to dispose of his interests in the North Adams Manufacturing Company and to remove to Rockville.

He took up his residence in Rockville in 1906 as the head of the Minterburn Manufacturing Company, producing high-grade woollens, and he established a handsome home at the corner of Davis and Ellington avenues. But he was spared only a brief time to enjoy this home. About a year ago his health began to fail, and he died on Wednesday, July 21, 1909. The burial was in Hillside Cemetery, North Adams.

Mr. Sykes was twice married, and is survived by his second wife, Mrs. Jennie Bond Sykes, and three daughters, Mrs. M. C. Mason and Miss Bertha Sykes, of Rockville, and Miss Mattie Lewis, of North Adams. One brother who survives him is Mr. David A. Sykes, of Rockville, general superintendent of the Hockanum Mills Company.

Editorial and Industrial Miscellany.

NOW FOR PEACE AND PROSPERITY.

AGITATORS FOR FURTHER TARIFF CHANGES ARE NOTHING LESS THAN FOES OF THE PUBLIC WELFARE.

NOT for twelve years had the country had a general revision of the tariff up to the framing of the Aldrich-Payne bill, and the whole country devoutly hopes that it may be at least twelve years more before there is another. The business interests of America have grown too fast to afford to endure more frequently than this the unsettling attacks of tariff agitation. This recent tariff revision has left most sober Americans convinced that except for considerations of political expediency there was no need of a promiscuous overhauling of tariff rates, and that some reasonable permanency of schedules is absolutely indispensable to the continuance of national prosperity.

No new tariff measure can be expected, in every one of its multifarious details, to please all of our eighty million people. Only superhuman skill would be equal to the shaping and enactment of such legislation. Here and there there are bound to be some mutterings of discontent and disappointment, but it is the majority and not the minority that rules America, and there is every indication that an overwhelming majority of the citizens of this republic approve the Aldrich-Payne law as in the main a satisfactory adjustment of the momentous problem of providing adequate protection to American industry and providing an adequate revenue.

In view of the colossal difficulty of the task just completed and of the imperative requirements of stability and rest, those are enemies of their country's business and their country's highest welfare who, out of bigoted partisanship or personal pique, press now for an immediate reopening of the Pandora's box of tariff revision. The new rates deserve a fair and patient trial, and this cannot be decently refused them. The country has gone through two years of depression because of the financial panic, intensified this last year because of tariff suspense — bad years for every business and every industry. Now there ought to be

some good years and many of them, and there will be if the tariff agitators are thrust to the rear and kept there.

The enactment of the new tariff law has been followed by an immediate and widespread uplift of prosperity. Some manufacturers who did not like some of the details of the new law and were threatening to do dire things to overthrow it are now running their machinery night and day, and are so immersed in business that they have scant time or taste for further crying of calamity. Prosperity is forcing them to be happy in spite of themselves. It would be about as wise for them to take a torch and fire their own mills as it would be to devote any more work or money to an attempt to rekindle the dangerous flame of tariff agitation.

The need of stability and tranquility is particularly urgent in the textile manufacture. It has not escaped the attention of the country that the cotton mills and the woolen mills of America have come out of the tariff revision of 1909 most fortunately of all our industries. Indeed, this fact is being made a specific indictment of the new tariff law by certain political demagogues in the far interior. These politicians are crying out that the new law is a New England tariff, a cotton manufacturers' tariff, a wool manufacturers' tariff, and they are invoking the ugly passion of sectional hate against the older Eastern States where the textile industry has its most important foothold.

Left to themselves these demagogues can accomplish nothing. They are now in a minority of a minority—for one fact that stands out clear and unmistakable from the tariff revision of 1909 is that the major part of the Democratic party is almost as strongly protectionist as the Republican.

With these demagogues endeavoring to howl down New England on the ground that it has chiefly shaped the new tariff and will derive the paramount advantages from it, to join in this cry for immediate revision would be an act of unconscionable folly on the part of any Eastern manufacturers. The new tariff is not perfect in every detail any more than its predecessors were thus perfect. But in the main it is a fair and honest law, and the country is disposed to give it a long, fair, and honest trial. To agitate against it and to demand a reopening of the question is both futile and malignant. The question will not be reopened; the new law has come to stay. All that faultfinding can now accomplish is to reduce somewhat the natural buoyancy of

present business and to disturb the splendid existing prosperity by some small development of unrest. The men who attempt this will face a sure and speedy condemnation by their fellow business men.

THE END OF THE GERMAN AGREEMENT.

ALL THOSE UNWISE CONCESSIONS TO FOREIGN MANUFACTURERS SWEEP AWAY AFTER FEBRUARY 7 NEXT.

ON February 7, 1910, the so-called commercial agreement between the United States and Germany lapses. This is a decisive victory for the friends of the American system of protection. Readers of the Bulletin will remember that this German Agreement has been fought in these pages from the very first, and that our opposition has received a steadily swelling reinforcement. On December 2 last, President William Whitman of this Association appeared before the Committee on Ways and Means in Washington and asked for the abrogation of the German Agreement, presenting a careful argument against it by the former Secretary of the Association, Mr. John Bruce McPherson. The new tariff bill as reported by the Committee on Ways and Means carried with it the abandonment of the German Agreement and all other similar agreements that had been made with other nations. The foreign manufacturing interests made an earnest effort for the retention of these agreements so valuable to them, but they were beaten at every point and were able to secure not one single champion in Congress.

This withdrawal from an unfair and dangerous policy, into which the United States ought never to have entered, will be of special value to the textile interests of the country, for more than any others they have been the sufferers from this economic and political mistake. Particularly harmful was that provision of the agreement that the market value of goods "shall be construed to mean the export price whenever goods, wares, and merchandise are sold wholly for export, or sold in the home market only in limited quantities, by reason of which facts there cannot be established a market value based upon the sale of such goods, wares, and merchandise in usual wholesale quantities, packed ready for shipment to the United States." Under the new tariff law (Section 11 and Section 28) there is another and a significantly stronger definition of market value, as follows:

That when the actual market value, as defined by law, of any article of imported merchandise, wholly or partly manufactured and subject to an ad valorem duty, or to a duty based in whole or in part on value, cannot be ascertained to the satisfaction of the appraising officer, such officer shall use all available means in his power to ascertain the cost of production of such merchandise at the time of exportation to the United States, and at the place of manufacture, such cost of production to include the cost of materials and of fabrication, and all general expenses, to be estimated at not less than ten per centum, covering each and every outlay of whatsoever nature incident to such production, together with the expense of preparing and putting up such merchandise ready for shipment, and an addition of not less than eight nor more than fifty per centum upon the total cost as thus ascertained; and in no case shall such merchandise be appraised upon original appraisal or reappraisal at less than the total cost of production as thus ascertained. The actual market value or wholesale price, as defined by law, of any imported merchandise which is consigned for sale in the United States, or which is sold for exportation to the United States, and which is not actually sold or freely offered for sale in usual wholesale quantities in the open market of the country of exportation to all purchasers, shall not in any case be appraised at less than the wholesale price at which such or similar imported merchandise is actually sold or freely offered for sale in usual wholesale quantities in the United States in the open market, due allowance by deduction being made for estimated duties thereon, cost of transportation, insurance, and other necessary expenses from the place of shipment to the place of delivery, and a commission not exceeding six per centum, if any has been paid or contracted to be paid on consigned goods or a reasonable allowance for general expenses and profits (not to exceed eight per centum on purchased goods).

Another point of severe criticism in the German Agreement was the provision that "certificates as to value issued by the German Chambers of Commerce shall be accepted by appraisers as competent evidence and be considered by them in connection with such other evidence as may be adduced" in determining the value of imported merchandise. This cherished advantage of German manufacturers now falls with all the rest. Moreover, the general appraisers are no longer required to give to importers the privilege of open hearings. These open hearings are left more clearly to the discretion of the appraisers than is the practice now.

The abrogation of this German Agreement, which becomes effec-

tive at the earliest possible date, or six months after the enactment of the new tariff law, means a great gain in fair play to American producers and an honest and efficient enforcement of our customs laws.

COLOR.

LECTURE BEFORE THE TEXTILE SOCIETY OF THE HUNDERSFIELD (ENGLAND) TECHNICAL COLLEGE.

By E. S. HARRISON, Esq.

THE extreme subtilty and complexity of the phenomena relating to color have too often been allowed to darken and confuse the underlying principles which govern all these phenomena, and writers have too frequently forgotten or overlooked those principles in their anxiety to describe and investigate their manifestations. The effect of this is somewhat as if you were to read a lecture on algebra to a boy who had not yet learned even simple arithmetic. Quite likely you know all about algebra and your lecture might be of the highest value, only the fact that the boy could not add two and two together rather discounted the effective value of your information. It has always seemed to me to be much the same thing to expect a student to follow all the complex behaviors of colors under various circumstances when he has not grasped the radical or underlying laws which govern all these methods of behavior. Now I think that with the help of a little patience on your part I shall be able to show you that the great underlying laws which govern color phenomena are not at all complicated, and that like all fundamental natural laws, in spite of the infinite variety of their application in nature, and in spite of seeming contradiction in the results, they are reducible to very simple principles. Here, as in all other natural subjects, we find that there is no contradiction — that contradiction is unknown to nature and that its appearance is merely caused by imperfect understanding.

Before proceeding to examine our subject more closely, I wish to say very strongly that I recognize that knowledge of the theory of color cannot make a designer, any more than to study the theory of government can make a good prime minister. So far, both designers and prime ministers — like poets — are born, not made. But for that part neither can theory make a workman, nor a manager, nor a master, and I sometimes fear it is

partly the want of a frank recognition of this fact — for which the programs of the technical schools are somewhat to blame — that has caused “practical” men to look with suspicion on technical education. No arts can be taught. Not even these which are not of the fine arts. You may teach a man the technicalities of his art, which is a very different thing, but the art itself is unteachable. Every man must work out his own salvation. The really principal thing about a manager is how he can manage, how he can see economies, how he can devise the best ways of organizing his men, and when to drive a man and when to coax him. No knowledge of polarization of light, or the milling properties of various wools, or the structure of all the double cloths under the sun will compensate for the want of the rest. I think it is a very great pity that all this has not been more fully admitted by us, and I am sure that the want of this admission has somewhat weakened the support we might have received; for in these days of fierce competition no man can possibly know too much about his trade. It is often astonishing what improbable knowledge may come in useful some day, and as it costs nothing — a reason which appeals strongly to us Scots — it behooves every one to lay in as big a stock as he can.

To begin with, let us clear the ground. Start by carefully rooting out all our ideas of juxtaposition, simultaneous contrasts, complements, shades, hues, tints and all the thousand and one marvellous things we have planted laboriously in our minds. First of all, let us state that color is sensation pure and simple. You cannot touch color, nor live on it, nor take it away from the colored object. It is, as I think you will all admit without demonstration, caused by light. For the moment we will put lamps on one side, and deal only with simple reflection. Under ordinary daylight we find that a pillar box looks red, and grass looks green. It is obviously impossible to take beer out of a barrel of whisky, so it is obviously impossible to take red and green out of daylight if daylight did not contain red and green. By spectroscopic or prismatic analysis, daylight has been proved to consist of a mixture of rays of many colored lights, blended in varied proportions, and amongst them we find red and green. Now as this many colored daylight falls on grass and pillar box in the same manner and in the same quantity, it is clearly not enough to say that the pillar box reflects red rays and the grass green. The whitewashed house does so too, but the difference is

that while the whitewashed house *reflects* everything, our pillar box *absorbs* everything but red. This is the point to be carefully kept in mind. The pillar box is red because it absorbs everything but red. If you want an easy proof of this take pieces of bright red, white, black, and green cloth or paper into a photographic dark room, and you will find it nearly impossible to distinguish red from white, and black from green. The light is, of course, red, or to go further back, the red glass has absorbed all the daylight but red. The red stuff then reflects all this red light, but as white can only reflect all the light that is going, it can only reflect red too. Green can reflect nothing save green, and as there is no green for it to reflect, it has to look like the black. If your shades were quite correctly balanced with your lights, and a perfectly pure red could be dyed, which is doubtful, it would be absolutely impossible to distinguish red from white, or green from black in the dark room.

A red body then reflects red rays. Or, to put it another and better way, a red body absorbs all but red rays. Now this point of view brings the various theories of light and color into harmony at once. As a rule it is not made plain to the student, and he is apt to have a feeling of distrust when he finds one set of ideas laid before him as a pigmental theory, and is told he must have a brand new set for dealing with light. This I think all thoughtful students must feel is wrong, for it seems obvious that all colors must be reducible to one rule, and that a theory which can account properly for reflected colors, but which is not applicable to colored lights, is not a very sound theory on which to rely.

Color then is due to absorption. The colors into which white light can be separated are, roughly speaking, six. That is to say, in the long and delicate gradation of colors from red to violet, there are six that can be named pretty well. These are in order — red, orange, yellow, green, blue, violet. For further convenience these are divided into primary and secondary colors. These divisions we must remember are, to a certain extent, only made for convenience, for there is no fundamental difference between primary and secondary shades. The primary colors are those which the imperfections of our dyeing materials have made it impossible for us to produce by mixture. These are red, yellow, and blue. The secondary shades are those which are produced by the mixture of any two primaries: orange is red

and yellow, green is yellow and blue, and for our present purpose we may consider violet as red and blue. Colorists very often recognize a third group called the tertiaries, which consist of all three primaries, one of which predominates, or to put it another way, the mixture of a primary with a secondary. But we will not go into them here, for at best they are a little vague in definition.

Now we can carry our investigation a stage further. If all color is due to absorption, an article looks red because it absorbs blue and yellow. Green being a combination of blue and yellow should absorb red. The combination of green and red should, if our theory is sound, produce black. You have seen that in the dark room red light and green color produce black, and any of you who are in the dye class can prove that the same thing happens if you combine red color with green color. Dye a pattern red with some such red as Victoria Rubine, then dye it green with say an acid green. It may sound rather Irish, but you will find it comes out black if you have proportioned the stuffs properly. About 2 per cent and 3 per cent respectively will give you a black of sorts, and you can produce a very fair black with a little care. It will be easily seen that where the balance is not accurate all sort of tertiary shades will be produced, according as the red or the green predominates. A long range from russet to olive can be made in this way. And according as the quantity of dye stuffs are insufficient the shades will lighten up to mere tints.

If we add a red light to a green light we produce not black but white. Arguing on our old lines, we now find this involves no contradiction. Red glass allows only red to pass; green glass allows only blue and yellow to pass. If red and blue and yellow are added together we know that white is produced. In the other case our red pattern reflected red only. We dyed green on top. Green only reflects blue and yellow, but absorbs red. Red was absorbed, and as there was no blue and yellow to reflect, it was not reflected, and the natural result was no light, or black. This view of the subject I think you will all admit clears up at once all disparity between the color and light theories.

Of course, there are other methods than absorption of producing light or color. Of these the most important are refraction or iridescence, and fluorescence or phosphorescence. They are both so unimportant from our point of view that I will merely

give examples and leave them. Refraction colors are caused by the breaking up of the beams of light by irregularities of the surface of the colored object. These colors are of the rainbow class, bright colors of the primary and secondary series, and they usually change as your angle of vision changes. The bright metallic colors of a peacock's or pigeon's neck, soap bubbles, certain colors in beetles' or butterflies' wings are good examples of this class. The shining light produced by rubbing a wet match on your hand in the dark, or the bluish light sometimes shown by a bad fish are examples of phosphorescence.

I do not think that here it would be any use going more deeply into color formation, of discussing the theory of light vibration or waves, or of dealing with spectrum analysis, polarization, dichroism, or any of these more intricate branches of the color science. Only one point shall I add before passing on to glance at the behavior of colors. I know my critical enemy, the scientifically minded student, will be saving up the question for the end of the paper: "What happens to the absorbed rays, as we are told that nothing is ever lost in nature?" Quite so, my diligent young man; the absorbed rays are converted into heat. Only to-day, the 29th September, in the year of grace, 1905, I chanced on a letter in the "Scotsman" drawing attention to a custom which illustrates this fact. The writer says that in many parts of the Swiss Alps the peasants strew black earth on the snow to make it melt more quickly. The earth absorbs more light than the snow; it converts this absorbed light into heat, rises in temperature and melts the snow which is in contact with it. From the same reason, in part, the snow in towns melts more rapidly than snow in the country. You can test this next time snow falls by putting on the snow two patterns of cloth, white and black, where the light falls strongest. You will find the black will gradually sink in unless the frost is too keen or the sunlight too weak.

To a certain extent the behavior of colors is of more practical importance than their mode of production. Here, again, we can reduce the vast and complicated mass of phenomena to one great broad rule. There is but one rule of contrasts, and that is that where things are contrasted by being placed side by side their differences are greatly accentuated; or to put it in a different manner, they seem to recede from one another. The opposite of a tall person is a short person; we all know that a short man

never looks so short as when he is beside a tall one. The opposite of light is darkness; no darkness looks so dark as the darkness we find outside a brightly lighted room. The opposite of black is white; the white which is good enough for a black and white check probably would not do for a pure white piece, and we all know that an odd or risky black can most easily and safely be disposed of in speckly or twisty goods. It is a careful application of these laws that makes possible the seeming miracle that a man with nothing more than white paint can make a very tolerable imitation of sunshine or lamp light in a picture. Possibly it never struck you that this was rather wonderful, but strange as it may seem, I may tell you that the dark blue of a midsummer sky is very much lighter than white paint, or than the white paper on which the artist has to work. Of course, a picture cannot be hung in sunshine, and you can prove my assertion by holding up a piece of white paper at the window so that it receives a strong diffused light. When you are satisfied you have the best light, move your head about until you have the paper against the darkest part of the blue sky you can get, and you will be surprised to find it looks quite dark against the sky. An artist has to darken this white when he makes it blue, and so goes even further from the absolute truth, so you see how very important a subject the adjustment of your contrasts is, and how very strong an influence it has on the effect produced.

I may say while on this part of our subject that just as much as your white is darker than nature's blue sky, so are your blackest blacks lighter than nature's black shadows. From this I hold it is a fair result to say that if you see a very thoroughly imitative piece of art you may be sure it is bad art, because to produce this imitative effect the contrasts have to be exaggerated beyond their due proportions—but this takes us into perhaps the most debatable lands in art, and that is beyond our view to-night. I have instanced these merely to show you that a true and full understanding of color is not limited to making ranges. One of the commonest examples in our work of this effect of contrast of light and dark may be seen in any graded range of gray or other plain mixtures. Each pattern has the irresistible effect of being shaded from one side to the other. The side of each pattern next the lighter shade in the range looks darker than the opposite side of what you know to be the same yarn where it comes in contact with the darker color of the range.

Before leaving our survey of this first group of contrasts — which, by the way, are known in the jargon of the text-books as monochromatic contrasts — we will note another slight tendency which, however, has no very direct optical connection with the facts we have been examining. A light color always has a tendency to overlap or spread into a dark ground. Only the other day I had an illustration of this. A cashmere pattern was ordered by one of our merchants. It was a dressing-gown cloth, and the design consisted of alternate black and white stripes about one-fourth inch wide, separated by about two inches of mid gray. In his order our customer had put the note, "Please make the white the same width as the black." On analysis we were surprised to find eight threads in each, so we reduced the white to six, which produced an apparent equality. The light color had overlapped or cut into the dark, and this was entirely optical as the stripes were exactly the same width. I will give you a couple more illustrations. If you see a grating against a bright light — the bars of a window or the lattice work of a girder bridge for example — you will find that the small bars are either reduced or thinned away altogether, according to the brightness of the light and the strength of your eyes. For my last instance I go to the theatre. Dancing-girls usually wear — as you all know — black stockings and white skirts or petticoats. Perhaps you do not know this was to make their legs and ankles look neater. It is not merely to throw the action of their legs into prominence, for black skirts and white stockings would do so equally well (and probably save some considerable expense in laundry work), but like our white stripe, their elegant ankles would no longer appear graceful and elegant as white on a black ground. This you may think a very frivolous example, but it is really not so, as it forcibly illustrates the universality of the rule. If you want to deduce another textile example, you know that a twist made of a small white and a heavy black looks neater than a heavy white twisted with a small black.

The next natural step in our consideration of contrasts is the series of contrasts where more than two colors are involved. Here, at first sight, we might think we were in difficulty. I can imagine the student saying, "We know that white is the opposite of black, and tall the opposite of short, any half-baked fool knows that, but what is the opposite of red?" Well, again let us argue it out. Opposites are things which have no qualities in

common — of course we may admit degrees of opposition, just as we who are not scientists may say one thing is squarer than another. From this it is fair to say that, as there are, roughly speaking, only three kinds of colors going, the opposite of any kind of color is that color which is composed of the others in the set. Red, blue, and yellow were the colors we chose, so that the opposite of red may safely be taken as blue and yellow, which make green. The opposite of blue is red and yellow, or orange. The opposite of yellow is red and blue, which makes purple or violet. These groups of opposites are known as complementary colors, a word from the Latin which means to complete or fill up. The complementary color to any color, then, is that which helps it to complete or fill up the entire color scale. Thus red and green together fill up the complete color scale, and are therefore called complementary colors. Keep these in your head — or better still in your mind's eye — red and green, blue and orange, yellow and purple. On these hang the law and the profits — all the profits!

I do not want you carefully to define the shades red, blue, and yellow, although for properly accurate work this is essential, but let it suffice for the moment that the complement of a reddish shade is a greenish shade, and so forth. Now, still pursuing our old argument or rule of contrasts, we are forced to the conclusion that the most marked differences must be shown where the colors brought together have the fewest features in common; that is to say, that the most brilliant effects are to be obtained when we bring together complementary colors, and this is exactly the case.

The text-books talk of the juxtaposition of colors, so you had better remember what they mean. Juxtaposition, placing together. Besides, it sounds much more learned! At this point I will again call your attention to the fact that these laws are as the laws of the Medes and Persians: their action is unvarying; and their action is entirely and absolutely independent of your knowledge of them. A man may be a lovely colorist and quite ignorant of these laws, but nevertheless his combinations are all manifestations of these laws. When a child falls down-stairs and damages himself, the fact that he is unacquainted with the laws of gravitation does not soften the floor where he lands, and in the same way the actions of the laws of color are the same on every one who is not color blind.

One word on the theory advanced to account for color vision. This I warn you is pure theory, and so far as I am aware is incapable of proof. Still it is a convenient theory, and accounts comfortably for several curious facts. It is said that there are separate nerves for each of the primary or simple colors, and that where a beam of light falls on the retina, or seeing part of the eye, each set of nerves sees its special part of the rays. These nerves then communicate this sensation to the brain, which blends them in the proportion received, and we call the result by the name of some color. Our eye is not capable of analysis, and green to us looks simply green — not blue and yellow. Now it is supposed that when we look at a white object all our nerves are used equally, but if we look at green only the blue and yellow nerves have any work to do, and they become tired sooner than the red, which have nothing to do. The result of a long study of green would be that when we again looked at something which employed all the nerves equally we would for a little see unequally; that is to say, in this case there would be a red cast over everything. In the same way, and on the same principle, a color has a tendency to tint its surroundings with its complementary shade. This is not a separate phenomenon, but merely another way of looking at the effect of juxtaposition.

A splendid instance of this I remember occurring in one of the mills I have been in. For a very particular client we made a certain treble-milled tartan. Down the middle of the large green base of the tartan ran a white line, perhaps half an inch wide. This we were cautioned to keep very pure. We took all the possible precautions, and to keep a green fast to treble-milling in stocks with earth is not very easy. We were very pleased with ourselves when we succeeded to a wish, but were rather disgusted when the piece came back with the complaint that the white was pink. For a little this puzzled us, as the closest examination failed to show the slightest trace of running of any kind, and there was nothing in the piece that could have bled pink. Then we happened to stand back a little from the counter and saw the piece as a whole, when we recognized that the white was made to look quite pink by the broad mass of bright green on each side. The cure was of the simplest: a couple of minutes in a washer with a good dose of fixed bayonettes burst the green, which bled into the white, killed the pink cast, and produced an apparently faultless white. This has

always struck me as a splendid illustration, and I have kept it in my mind these eight or nine years nicely folded up and labelled for use on this occasion. Another splendid illustration is shown every night and every morning by every room which is lighted artificially. When you start to light the lamps in the half dark, the windows turn brilliant peacock blue. When it is quite dark outside, of course, the windows merely look blue black, but before it is quite dark you see the complementary shade of the ruddy orange of the light—namely, a greenish or peacock blue. At first you are apt to think this may be the color of the sky, but you will find the blue is equally blue if it is a fine night or if it is sluicing down with rain.

In books on color I have seen it stated that the most agreeable contrasts are those produced by complementary colors. This is perhaps in a very limited sense true, but in a most limited sense. We do not enjoy seeing people clad in purple trousers with yellow stripes, nor would a room be very restful decorated say in orange and bright blue. But this much is true, that a greenish ground looks very well with a reddish overcheck. When you have said that you can say no more. Personally I find things most agreeable, and most saleable, when the contrasts are not extreme, blue green on yellow green, brown on brown, and such faint effects. The rules for making a good design are too vague to be called rules. I do not know that we can better old Bacon's word. He sees this when he is writing of excellence in design, and says a man may not do good work by rote, "but he must do it by a kind of felicity, as a musician that maketh an excellent air in music, and not by rule." This is perhaps rather disheartening at first to the student, but he may as well recognize it at once. He must learn all he can first, then as a workman he must watch the markets carefully, and he may depend on it that his learning will at least leave his "felicity," as Bacon puts it, to work without restraint. This then is the value of technical knowledge, that it gives the active mind freedom to devise and to work without restraint; it suggests ways and means of doing things, indicates causes where they are obscure, shows at a glance whether an idea is capable of development or not, and leaves the mind free from the waste occasioned by vague surmise and experiment. We cannot all be great actors perhaps, but we can at least be letter-perfect in the parts we have to play.

We have discussed all the radical rules, or, I might almost say, discovered them for ourselves. I have purposely avoided too detailed and accurate names, because when I had so large a field to cover too great detail might have obscured the simplicity of the underlying principles. If once you understand these underlying rules, principles, laws or reasons, as you choose to call them, a very few minutes learning the text-book meanings of the words hue, shade, tint, tone, juxtaposition of colors, monochromatic and polychromatic combinations, simultaneous or other contrasts, and so forth, will enable you to take full marks on any question on color theory any of your examination papers are likely to contain. Once get a hold of the root ideas of your subject, and no matter what form the question may take, you can in a few moments unravel it and give an understanding answer. On the other hand, if you get your subject up by rule of thumb you must commit scores of formulæ to memory, and dozens of rules, and even then the examiner can often word a question to which none of your beloved formulæ can apply. But if you know and understand the simple principles, the examiner will have to resort to Hindoostani or Double Dutch to bring about your ruin.

As a last word let me summarize the conclusions we have obtained. We have seen :

1. That color is due to absorption rather than reflection.
2. That this view of the matter shows how one theory applies to colored pigments and colored lights equally well.
3. That there is but one great law or rule of contrasts, namely, that when two objects or colors are contrasted their differences are made more marked.
4. That this applies equally whether the contrasts dealt with are contrasts of light and dark, or contrasts of different colors.
5. That as one very important result of this rule, complementary colors give the brightest effects when placed side by side, although owing to the way color is produced the mixtures of these same shades produce the dullest effects.
6. That partly owing to the law of contrasts, partly owing to the formation of the eye, one shade has a tendency to tint its surroundings with a shade complementary to itself.

And lastly, much the most important point that has been advanced — if not proved — is that you cannot become a designer on theory alone.

THE AUSTRALASIAN WOOL CLIP SEASON OF 1908-9.

CHARACTER OF THE CLIP.

MESSRS. DALGETY & Co. in their annual review of the Australasian wool clip discuss at considerable length the character of the clip for the past season. Their introductory remarks are of so much interest that we reproduce them in this number of the "Bulletin," not waiting as is our usual custom for our own Annual Review, in which we shall again refer to this report and present as usual the Australasian wool statistics for the year.

The difficulty of adequately reporting upon the Australian and New Zealand annual clip, gathered from such vast stretches of country as that from which it comes, has been referred to by us in previous reports, and will be the more appreciated when it is mentioned that in the Commonwealth alone the area within the temperate zone is 1,825,261 square miles, about half as large again as the tropical. There is a world of difference in the altitudes and in the climate, which makes the task of doing justice, in a yearly report, to the wool production of the country an extremely large undertaking, and one which could not be satisfactorily carried out unless it was possible to obtain reports from practically all places where wool is marketed.

Generally speaking, the season over the southern portion of the continent and in Tasmania has been a hard one, and the shortage of feed, etc., was not conducive to the growth of the robust combing wools met with in good years. In fact, the chief characteristics of the Australian clip of the past season corresponded in a marked degree with the production of the previous year. Shafty, sound combing wools were particularly scarce, while, on the other hand, short, tender fleece was in evidence in all centers with the exception of Adelaide and perhaps Brisbane. The predominance of comparatively short, thin wool was much to be regretted, particularly as fashions have continued to favor worsteds as against woolens.

The clip, however, will long be remembered for its soft handle and fineness of fiber, though, unfortunately, the latter characteristic had in most cases been brought about by insufficient feed having been obtainable for stock. It is many years since such a large proportion of really fine-haired wools was submitted. Brands which in ordinary seasons are of, say, 64's quality averaged 70's, while many clips marketed as comebacks were really of merino quality and were frequently bought for super 60's and in some cases for 64's.

As regards condition, the clip proved far more satisfactory than its predecessor. It will be remembered that the purchases of the 1907-8 season did not, generally speaking, yield up to expect-

tations, more particularly Adelaide wools, whereas results already obtained from last year's clip have proved remarkably close to buyers' estimates; in fact, the general average of yields has turned out in their favor. There had been sufficient feed to keep the sheep alive, but not to put condition into the wool, much of which was, therefore, tender, though manufacturers have not complained much of the latter fault. It may be that a large proportion of the wools, though not actually sound, possessed the requisite amount of breaking strength to permit of their being successfully combed; on the other hand, it may be that in a rising market users have been much less critical than they would have been had the market gone against them as it did in the previous year. The fact remains that while the Australasian clip of 1908-9 is giving a good percentage of clean, scoured wool, the percentage of noil to "top" is about the average, as is shown by the strong demand for "tops" at a comparatively high range of prices and the difficulty in placing faulty noils at relatively low values.

The only State to produce a clip above the usual standard of excellence was South Australia, the wool being exceptionally shafty and attractive, so much so that several of the best lines attracted American competition, which is not as a rule in evidence in the Adelaide market.

Broadly speaking, however, the Australian clip instead of being a splendid one, as some of the English papers prognosticated, must be classed as distinctly below the average.

As a rule, shearing was expeditiously and pleasantly accomplished, labor disputes, fortunately, being conspicuous by their absence.

NO "INCREASE" IN SCHEDULE K.

FOES of protection and the woolen industry are endeavoring to convince the newspapers, and through them the people, that the new tariff heavily increases the rates of the wool and woolen schedule. This falsehood will be combatted wherever it appears by the National Association of Wool Manufacturers. The following letter to the "New York Times" is a case in point:

EDITOR OF THE "TIMES":

SIR: With business, except that of foreign importers and manufacturers, calling out for a rest from tariff agitation, it is unfortunate that the "Times" in its "cheap clothes" articles of the other day should have been betrayed into a statement that the new Aldrich-Payne tariff "increases" the rates on wool and woolen goods. A single glance at Schedule K would have shown your editors the error. For the most part the schedule is left unaltered, and the only changes are reductions.

This whole matter of the cost of woolen clothing was fully gone over in Washington before the enactment of the Aldrich-Payne law. The complaining clothiers had their say, and they were answered by the National Association of Wool Manufacturers, representing the American industry, with the result that the contention of the Americans was sustained by Congress.

The assertion of those who attacked the present law, that this law increases the rates of duty on wool and woolen goods, is unqualifiedly false. There are not even changes of classification to give color to it, but the exact text of the Dingley schedule is embodied in the present law, except where the text is altered to make reductions. The statement that the compensatory duty is at the ratio of four to one, whatever the quality or value of the cloth, is another point in which the "Times" and its readers have been deceived by men who have their own reasons for misinforming them.

The American market is the best and greatest market in the world for woolen cloth, and European manufacturers and importers are so desperately bent on capturing a greater part of it that they do not hold their agents and attorneys here to a strict sense of responsibility for their assertions. But they ought not to be allowed to mislead a great New York newspaper.

Sincerely yours,

WINTHROP L. MARVIN, *Secretary,*
National Association of Wool Manufacturers.

Boston, Mass., September 13, 1909.

DECISIONS OF THE TREASURY DEPARTMENT ON THE WOOLEN TARIFF.

(T.D. 28817.)

Abstract No. 18289. — FURNITURE IN PART OF WOOL. — Protest 233161 of Aimone Manufacturing Company (New York). Opinion by Lunt, G.A.

Tapestry-covered furniture, which was classified as composed in chief value of wool under paragraph 366, tariff act of 1897, was found to be composed chiefly of wood and held dutiable under paragraph 208 as furniture of wood, as claimed by the importers. Note G.A. 6384 (T.D. 27224).

Abstract No. 18290. — WOOL ORNAMENTS. — Protest 61365f of E. A. Morrison & Son (New York). Opinion by Lunt, G.A.

Certain ornaments classified as trimmings were held to be dutiable as manufactures of wool under paragraph 366, tariff act of 1897, as claimed by the importers. Note G.A. 5664 (T.D. 25254).

(T.D. 29031.)

Abstract No. 18955. — WOOLEN CLOTH. — Protest 287678-25974 of Mandel Brothers (Chicago). Opinion by Lunt, G.A.

The Board found the merchandise in question to consist of cotton and mohair, mohair chief value, and held it to have been properly classified under paragraph 366, tariff act of 1897, relating to woollen cloths.

Abstract No. 18956. — WOOLEN BLANKETS. — SARAPES. — Protest 272578 of Frank P. Dow Company (Port Townsend). Opinion by Lunt, G.A.

The protest related to Mexican woollen blankets, invoiced as sarapes and classified as wool wearing apparel under paragraph 370, tariff act of 1897. The Board sustained the importers' contention for classification under paragraph 367, relating to woollen blankets. G.A. 4730 (T.D. 22377) followed.

Abstract No. 18980. — WEARING APPAREL IN PART OF INDIA RUBBER. — Protests 279764, etc., of John Dunn, Jr. (Philadelphia). Opinion by De Vries, G.A.

The protests related to waterproof coats, some composed of india rubber and cotton and others of wool and cotton. The latter were held to have been properly classified as wool wearing apparel under paragraph 370, tariff act of 1897; the former were classified under paragraph 314, relating to wearing apparel in chief value of cotton, and providing further "that any outside garment provided for in this paragraph having india rubber as a component material, shall pay a duty of fifteen cents per pound and 15 per cent ad valorem." The importer contended that they were dutiable as manufactures in chief value of rubber under paragraph 449. On the authority of *Horrox v. United States* (T.D. 29001) the Board held the assessment under this provision to have been correct.

Abstract No. 19007. — WOOL — MOHAIR ROLLS. — Protest 288796 of Moses Norris (Baltimore). Opinion by Lunt, G.A.

The protest related to merchandise invoiced as hair rolls. It was classified as wool wearing apparel under paragraph 370, tariff act of 1897, and was claimed to be dutiable as manufactures of human hair under paragraph 450. The Board found it to consist of an outer covering of mohair and an inner filler of some vegetable fiber and affirmed the assessment.

Abstract No. 19025. — WOOL CLOTH. — Protest overruled. T.D. 28536, Abstract 17438, followed.

(T.D. 29083.)

Drawback on felt and felt articles.

Drawback on felt and felt articles manufactured by the Alfred Dolge Manufacturing Company, of Dolgeville, Cal., with the use of imported wool in combination with domestic materials.

TREASURY DEPARTMENT, June 18, 1908.

SIR: On the exportation of felt and felt articles manufactured by the Alfred Dolge Manufacturing Company, of Dolgeville, Cal., with the

use of imported wool in combination with domestic materials, a drawback will be allowed equal in amount to the duty paid on the imported material used, less the legal deduction of 1 per cent.

The preliminary entry must show the marks and numbers of the shipping packages, the gross and net weight of each package separately and in the aggregate, and the kind and style of article contained therein.

The drawback entry must show the total number of each kind and style of article exported and the net weight of felt contained therein, and, in addition to the usual averments, that the merchandise was manufactured of the materials and in the manner set forth in the manufacturers' sworn statements, dated December 12, 1907, and tabulated schedules made a part thereof, transmitted herewith for filing in your office.

As a prerequisite to liquidation there must be filed with each drawback entry a sworn abstract from the manufacturing record showing the quantity and kind of imported wool used; the percentage of loss in manufacturing up to the point of the combining of the cleaned wool with domestic material; the quantity of domestic and imported materials combined; the quantity of felt produced therefrom; the quantity of waste incident to the manufacture after mixing the imported and domestic materials; the kind and quantity of articles manufactured from the felt; the waste incurred in cutting the felt to form such articles, and the market value at the factory at the time of manufacture of any valuable waste.

In liquidation, the quantity of wool in condition as imported which may be taken as the basis for allowance of drawback shall be ascertained as follows:

(a) Ascertain the quantity of cleaned wool actually contained in the exported felt by taking the proper percentage of the exported weight according to the proportions of imported and domestic materials combined.

(b) To the quantity of cleaned wool thus found to be contained in the felt exported there shall be added such percentage of waste shown to have been incurred in the manufacture of the felt from the point where the imported and domestic materials are mixed, such quantity not to exceed in any case 34.37 per cent of the cleaned wool contained in the exported felt.

(c) To the quantity of cleaned wool thus ascertained there shall be added the proper percentage to compensate for loss incident to the cleaning of the imported wool, such quantity not to exceed 23 $\frac{1}{4}$ per cent thereof.

(d) The value of the entire waste shall be considered and the total wastage allowance reduced accordingly.

(e) Where articles manufactured from felt are exported, the quantities of felt which may be taken for drawback purposes may equal the

quantities shown in the sworn schedules as contained in the articles, to which may be added the proper percentages to compensate for loss in cutting, as shown in said schedule. The quantity of imported wool to be allowed for a given quantity of felt may be ascertained as hereinbefore provided.

Respectfully,

JAMES B. REYNOLDS,
Assistant Secretary.

(40468.)

COLLECTOR OF CUSTOMS, *San Francisco, Cal.*

(T.D. 29119.)

Abstract No. 19201. — WOOL — COTTON CLOTH. — Protest 292910-26253 of Mandel Brothers (Chicago). Opinion by Chamberlain, G.A.

The protest related to fabrics of wool and cotton, which the importers contended had been improperly classified as in chief value of wool. Assessment affirmed.

Abstract No. 19228. — RUGS SIMILAR TO AXMINSTER. — Protest 295149 of R. F. Downing & Co. (New York).

The merchandise in controversy was classified under paragraph 379, tariff act of 1897, relating to carpets woven whole for rooms and to Axminster and similar rugs. The importers contended that it should have been classified under paragraphs 381 and 382, relating to carpets and carpeting of wool, etc. Protest overruled.

CHAMBERLAIN, *General Appraiser*: . . . Paragraphs 381 and 382 contain the provision "not specifically provided for in this Act," while paragraph 379 is conspicuous for the absence of such provision; and the issue narrows itself into a determination of the question whether the article is or is not specially provided for in paragraph 379. The evidence submitted by the importers is to the effect that the merchandise is *similar to Axminster rugs*. We, therefore, find the merchandise to be specially provided for in paragraph 379 and hold it dutiable as assessed.

(T.D. 29159.)

Abstract No. 19375. — SAMPLES OF WOOL. — Protests 290957, etc., of J. M. Colpas (Burlington).

HAY, *General Appraiser*: These protests relate to certain samples of wool, which were assessed for duty and are claimed to be free as samples of no commercial value.

The merchandise was entered upon two separate invoices the one being for 120 pounds at a value of \$30, and the other for 145 pounds at

a value of \$36.25. Upon the entries the same weights and values are stated.

The importer testified that the wool in question is a part of a shipment now en route to the United States, and that the value of the samples in question is included in that shipment. We can scarcely see why this should be. If 120 and 145 pounds have been taken out of that shipment of wool and forwarded in advance it should be invoiced and entered at its true weight, or 265 pounds less than before these samples were extracted. In any event the collector cannot collect duty upon an amount less than the invoice or entered value (Section 7 of the customs administrative act of 1890). The protests are therefore overruled.

Abstract No. 19379. — WEIGHT OF WOOL — ABSORPTION OF OIL. — Protest 283763 of E. Lissberger (New York). Opinion by Hay, G.A.

It appeared that the weight of certain wool on importation exceeded the invoice weight, this excess being due to absorption of oil. Held that the duties should be assessed only on the invoice weight.

(T.D. 29168.)

Drawback on mohair plushes.

Drawback on mohair plushes manufactured by the Massachusetts Mohair Plush Company, of Boston, Mass., from a mixture of imported and domestic mohair. — T.D. 27050 of January 30, 1906, extended.

TREASURY DEPARTMENT, July 16, 1908.

SIR: The Department's regulations of January 30, 1906 (T.D. 27050), providing for an allowance of drawback on the exportation of mohair plushes manufactured by the Massachusetts Mohair Plush Company, of Boston, Mass., wholly from imported mohair, are hereby extended, so far as applicable, to cover mohair plushes manufactured by the same company from a mixture of imported and domestic mohair, in accordance with the manufacturers' sworn statement, dated July 3, 1908, transmitted herewith for filing in your office.

In addition to the requirements of said regulations, the manufacturing record and the drawback entry shall show the percentages of domestic and imported mohair used.

In liquidation, the quantity of imported mohair for the different grades of plush may be ascertained by taking the proper percentage of the quantities specified in the last paragraph of said T.D. 27050, according to the percentage of imported material shown by the manufacturing record and drawback entry to have been used, and to this quantity there may be added the proper amount to compensate for worthless waste not to exceed 28 per cent.

Respectfully,

L. A. COOLIDGE,
Assistant Secretary.

COLLECTOR OF CUSTOMS, *Boston, Mass.*

(T.D. 29172 — G.A. 6792.)

Machine belting — “Beltings” — Manufactures of wool.

Woven belting for machinery, composed in part of wool, is not within the enumeration in paragraph 371, tariff act of 1897, of “beltings, . . . of which wool is a component material,” because not *ejusdem generis* with the braids, laces, etc., mentioned in the same paragraph, but is dutiable under paragraph 366 as manufactures in part of wool.

United States General Appraisers, New York, July 16, 1908.

In the matter of protest 302190 of Thos. Meadows & Co. against the assessment of duty by the collector of customs at the port of New York. Before Board 1 (SHARRETTs, McCLELLAND, and CHAMBERLAIN, General Appraisers; McCLELLAND, G.A., absent).

SHARRETTs, *General Appraiser*: The merchandise in question is invoiced as “patent gripoly woven hair belting.” The appraiser states that it is commercially known as “machine belting,” and is used on machinery for transmitting power.

The United States Chemist, to whom a sample of the merchandise was submitted for analysis, reports:

It is a belting made by weaving vegetable and animal fibers together and saturating the woven fabric with a waterproof and partly adhesive cement. The fibers in one direction are cotton and in the opposite direction consist of blended or mixed animal hairs and different kinds of wool, while the binding edges consist of animal skin.

The exhibit in the case represents a belting over one-fourth of one inch thick and about four inches wide. It is but slightly flexible and has a tarry odor and an oily surface — conditions that indicate its intended use for transmitting power to machinery.

Duty was assessed on the goods at the rate of 50 cents per pound and 60 per cent ad valorem under paragraph 371 of the present tariff act, which reads as follows:

PAR. 371. Webbing, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, laces and other trimmings and articles made wholly or in part of lace, embroideries and articles embroidered by hand or machinery, head nets, netting, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is a component material, whether composed in part of india-rubber or otherwise, fifty cents per pound and sixty per centum ad valorem.

Various claims are made in the protest, but the one relied on is that the merchandise is dutiable under paragraph 366 as manufactures of every description made wholly or in part of wool.

Unquestionably, the provision for belting made in part of wool is more specific than that for manufactures of every description made wholly or in part of wool, and it only remains for determination whether the belting in question is of the same kind as to quality and use as the belting and other articles enumerated in paragraph 371. In passing

upon this point we feel constrained to follow judicial decisions bearing upon the issue. *Ederer v. United States*, decided by the United States Circuit Court for the northern district of Illinois and reported in T.D. 25111, presents a parallel case to that now before us. The question passed upon by the Court was whether the specific enumeration in paragraph 339 for nets and nettings included fish nets and nettings. Upon this point it was argued in behalf of the importers that the articles other than nets or nettings enumerated in paragraph 339 consist wholly of materials for house furnishings, wearing apparel, or other articles for domestic or personal use, of fine texture and luxurious character, and that under the rule of *ejusdem generis* the provision for nets or nettings in said paragraph should be limited to its application to goods of the same kind as to quality and use as the articles therein enumerated, and was not intended by Congress to include merchandise of the coarse texture and common use of fish nets and nettings. The Court sustained the correctness of the importers' contention, and we concur in the conclusion reached by the judicial tribunal; but even were such not the case, we would feel constrained to follow its ruling and by a parity of reasoning hold that coarse, greasy machine belting is not *ejusdem generis* with the articles named in paragraph 371. A similar ruling was reached by the United States Circuit Court for the southern district of New York in *Marsching v. United States* (113 Fed. Rep., 1006).

When Congress has assembled numerous articles bearing intimate relations with each other in one paragraph, we must assume that only articles of a kindred nature were within the intent of the law-makers included therein. A provision for hat, bonnet, belt, shawl, and all other pins would not include lynch pins, coupling pins, nor tenpins; nor would a provision for necklaces, bracelets, brooches, slides, *buckles*, and jewelry include steel harness buckles. In construing a statute all of its parts must be made to harmonize. A glaring exception is not permissible; hence an article, although bearing the same name as an enumerated article included in a list of specified articles of a similar nature, if essentially different in quality and intended purpose of use from every other article or class of goods enumerated in a paragraph of the tariff, is not included therein. Paragraph 371 imposes a very high rate of duty on wearing apparel and articles of luxury, and it would destroy the whole harmony of the paragraph to hold that belting for machinery was provided for therein.

In consonance with the views herein expressed and on the authority of the decisions cited, we reverse the collector's decision and sustain the claim in the protest that the merchandise is dutiable at the appropriate rate provided in paragraph 366.

(T.D. 29209.)

Market value.

DEPARTMENT OF STATE, WASHINGTON, May 16, 1907.

SIR: Referring to the commercial agreement signed this day between the Government of the Netherlands and the Government of the United States, I have the honor to inform you that instructions will be issued to the customs officers of the United States to the following effect:

"Market value as defined by section 19 of the customs administrative act shall be construed to mean the export price whenever goods, wares, and merchandise are sold wholly for export, or sold in the home market only in limited quantities, by reason of which facts there cannot be established a market value based upon the sale of such goods, wares, and merchandise in usual wholesale quantities, packed ready for shipment to the United States."

These instructions shall take effect not later than July 1, 1907, and shall remain in force thereafter for the term of the aforesaid agreement. In pursuance thereof the export price of Maastricht pottery imported into the United States from the Netherlands under the conditions described in your note of March 23, 1907, shall be accepted by the customs officers of the United States as the true market value of the aforesaid articles of merchandise.

Receive, Mr. Minister, the renewed assurance of my highest consideration.

ELIHU ROOT.

JONKHERR R. DE MAREES VAN SWINDEREN,

Minister of the Netherlands.

(T.D. 29262.)

Abstract No. 19599. — WOOL-EMBROIDERED PAPER MOTTOES. — Protest 294208-26291 of the Trans-Continental Freight Company (Chicago). Opinion by DeVries, G.A.

Paper mottoes embroidered with wool were held to have been properly classified under paragraph 371, tariff act of 1897, relating to wool embroideries. G.A. 5039 (T.D. 23402) followed.

(T.D. 29440 — G.A. 6846.)

Woolen embroideries.

WOOLEN EMBROIDERIES — LACE — ULTIMATE USE. — An article having cotton netting as a foundation and covered with woolen cloth upon which various designs were embroidered with cotton thread, was intended to be subjected after importation to an acid process which will burn out the wool and leave the goods in the form of cotton lace. Held that the use to be made of the goods after importation would not affect their

classification, and that they were dutiable under paragraph 371, tariff act of 1897, relating to "articles embroidered . . . of which wool is a component material," rather than under paragraph 339 as "laces."

United States General Appraisers, New York, December 28, 1908.

In the matter of protest 311043 of Einstein, Wolff & Co. against the assessment of duty by the collector of customs at the port of New York. Before Board 1 (SHARRETT, McCLELLAND, and CHAMBERLAIN, General Appraisers).

CHAMBERLAIN, *General Appraiser*: The merchandise under protest was returned by the appraiser as woolen embroideries. It was assessed for duty under paragraph 371 of the tariff act of 1897 at 50 cents per pound and 60 per cent ad valorem, the pertinent portion of the paragraph reading as follows:

371. . . . Embroideries and articles embroidered by hand or machinery . . . any of the foregoing made of wool or of *which wool is a component material*. . . .

The merchandise consists of a cotton netting, acting as a foundation, upon which is placed a woolen cloth, the surface of which is embroidered with cotton threads, forming various designs. It is claimed to be dutiable under paragraph 339 at 60 per cent ad valorem as cotton lace, for the reason that the wool cloth is used solely for holding the threads when embroidered and is burnt out with acids before the goods enter into consumption. Evidence introduced substantiates these facts. It is equally true that duty is to be assessed on articles in the condition in which they are imported, and the purposes for which goods are to be used after importation are irrelevant in determining their classification. *Worthington v. Robbins* (139 U.S., 337); *Dwight v. Merritt* (140 U.S., 213); *United States v. Wotton* (53 Fed. Rep., 344); *Paturel v. Robertson* (41 Fed. Rep., 329); *Jessup & Moore Paper Company v. Cooper* (46 Fed. Rep., 186); *Godwin v. United States* (66 Fed. Rep., 739).

As the woolen cloth, therefore, must be considered in determining the classification of the article in question, we find that it is specially provided for in paragraph 371 as "articles embroidered, . . . of *which wool is a component material*," and hold it dutiable as assessed.

The protest is overruled and the decision of the collector affirmed.

Silk-wool dress goods.

The following protests against the duty assessed have been overruled, *United States v. Scruggs* (156 Fed. Rep., 940; T.D. 28580) followed, Abstracts 19200, 19314, 19382, 19396, 19424, 19485, 19494, 19524, 19609, 19673, 19717, 19738, 19868, 19887, 19981, 20076, 20452, 20545, 20666, 20756, 21063.

COURT DECISIONS.

(T. D. 29957.)

Denaturing of olive oil under paragraph 639 of the tariff act of August 5, 1909.

TREASURY DEPARTMENT, August 20, 1909.

To collectors and other officers of the customs :

Paragraph 639 of the tariff act of August 5, 1909, provides for the free entry of

Olive oil rendered unfit for use as food or for any but mechanical or manufacturing purposes, by such means as shall be satisfactory to the Secretary of the Treasury and under regulations to be prescribed by him.

Olive oil to be entitled to entry under the foregoing provision of law either must have been denatured abroad in such a manner as to satisfy the collector that it is permanently unfit for use as food or for any but mechanical or manufacturing purposes, or it must be denatured after arrival, under customs supervision and at the expense of the importer, by one of the following methods, to be elected by the importer:

To 100 gallons of the olive oil to be denatured add any of the following substances:

- (a) 3 gallons rosin oil, preferably second or third runs.
- (b) 3 gallons refined destructively distilled wood turpentine, boiling not lower than 160° C.
- (c) 3 gallons mineral oil such as spindle oil, or a rather crude kerosene.
- (d) $\frac{1}{4}$ gallon pyridin.
- (e) $\frac{1}{2}$ gallon creosote.
- (f) 3 gallons aniline oil.
- (g) 6 gallons dark-colored oleic acid.

Oil denatured according to formulæ *b*, *d*, *e*, and *f* must be marked as poisonous.

The officer supervising the denaturing is enjoined to take particular care to have the denaturant thoroughly incorporated with the olive oil.

"Sulphured olive oil" obtained by the extraction of olive oil from press cake by means of carbon bisulphid need not be further denatured.

The Department will from time to time prescribe additional formulæ, and will consider any formula for special denaturation that may be submitted by any manufacturer.

To insure the protection of the revenue, 100 per cent of all olive oils claimed to be inedible, or to have been denatured abroad, will be sampled.

No olive oil will be released free of duty under the said paragraph

of law until the owner or consignee shall have filed with the collector of customs an affidavit in the following form:

PORT OF ———.

I, ———, do solemnly declare that I am the owner or consignee of the olive oil described in the invoice and entry hereto attached, that the same is permanently unfit for use as food and is specially imported in good faith for mechanical or manufacturing purposes.

—————.
(Owner or consignee.)

Subscribed and sworn to before me this day — of ———, 19——.

—————.
(Title of officer.)

JAMES B. REYNOLDS,
Acting Secretary.

(T.D. 29766.)

Silk-wool dress goods.

BALLOT *v.* UNITED STATES.

U.S. Circuit Court of Appeals, First Circuit. April 28, 1909. No. 818
(suit 2050).

1. SILK-WOOL DRESS GOODS. — Dress goods in chief value of silk but in part of wool are dutiable under paragraph 369, tariff act of 1897, as "women's and children's dress goods . . . in part of wool," rather than under paragraph 387 as woven fabrics of silk.
2. APPEAL — "JUDGMENT" — DECISION BY CONSENT — JURISDICTION. — In the Circuit Court an order affirming a decision by the Board of General Appraisers was entered by consent of counsel for both sides, "to expedite the final decision of the issue at bar in the United States Circuit Court of Appeals . . . without prejudice to the right of appeal." *Held* (1) that as there had been no judgment of the Circuit Court in a just sense of the word, there was no error to be assigned; (2) that to hear the appeal would be to disregard the statute establishing the Circuit Court of Appeals, thus converting it from an appellate tribunal to a court of first instance, contrary to the intent of the law; and (3) that this court is therefore without jurisdiction.

APPEAL from the Circuit Court of the United States for the district of Massachusetts.

[Decision in favor of the Government.]

The decision below (T.D. 29548) affirmed a decision by the Board of the United States General Appraisers, which is reported as Abstract 19887 (T.D. 29339) and affirmed the assessment of duty by the collector of customs at the port of Boston on merchandise imported by L. Ballot. The Board's opinion reads as follows:

CHAMBERLAIN, *General Appraiser*: The merchandise in question consists of woven fabrics of silk and wool, silk chief value. Duty was assessed thereon at 11 cents per square yard and 55 per cent ad valorem under paragraph 369 of the tariff act of 1897, and it is claimed to be dutiable under the provision of paragraph 387.

The protest is overruled on the authority of *United States v. Scruggs* (156 Fed. Rep., 940; T.D. 28580).

Searle & Fillsbury (*Everit Brown* of counsel; *Charles P. Searle* on the brief), for the importer.

William H. Garland, assistant United States attorney (*Asa P. French*, United States attorney, on the brief), for the United States.

Before PUTNAM, Circuit Judge, and ALDRICH and DODGE, District Judges.

PUTNAM, *Circuit Judge*: This is a case touching classification under the customs laws, in which a judgment was entered against the importer in the Circuit Court. Thereupon the importer appealed to us.

It appears that the case was not judicially considered by the Circuit Court. On the other hand, the following is shown by the record in that court:

Counsel for the respective parties hereto consent to the entry of an order of affirmance herein without further notice, the said consent being given to expedite the final decision of the issue at bar in the United States Circuit Court of Appeals, and said order to be without prejudice to the right of appeal of the importers therefrom.

This was followed by an order of the Court, to wit:

Now, after reading and filing the foregoing consent of the parties hereto by their respective counsel, the decision of the Board of General Appraisers is affirmed in accordance therewith.

Thereupon the appeal was allowed, accompanied with an assignment of errors which opens: "The above appellant hereby assigns error to the decision and judgment," etc. As there was no judgment of the Circuit Court in a just sense of the word, there was no error; but we do not leave the matter on this technical statement. If we hear this appeal we disregard the statute establishing this court, which constituted it for this purpose an appellate tribunal; and substantially we would act as a court of first instance. This is not only not allowable according to the rules of law, but, if accepted as a precedent to be followed, would naturally result in a constantly widening departure from what the statute contemplates, throwing on this court a burden which it is not proper for it to assume. Therefore the appeal must be dismissed. We are at liberty to state that our conclusion in this respect is in harmony with the informal opinions of the two circuit judges who did not sit on this appeal.

We have, however, while considering the question of dismissal, incidentally opened the record on the merits. The question presented here is between paragraphs 369 and 387 of the tariff act of July 24, 1897. The United States rests on paragraph 369 and the importer on paragraph 387, the former being in the wool schedule and the latter in the silk schedule. As stated by Judge Adams, who delivered the opinion in *United States v. Scruggs Company*, in behalf of the Circuit Court of Appeals for the eighth circuit, passed down on November 6, 1907 (156 Fed. Rep., 940; T.D. 28580), the issue there was precisely

the same as it is here. It was decided in favor of the United States. Upon an issue so doubtful as this appears to be, if we passed on the merits, having regard to our usual practice, we would follow the decision in the eighth circuit, even though we did not concur in all the reasoning of the opinion leading up to the final conclusion. That court had before it our opinion in *United States v. Walsh* (154 Fed. Rep., 770; T.D. 28325), and it contains nothing inconsistent therewith; but, so far as it observes upon it, it correctly interprets it.

The appeal is dismissed for want of jurisdiction, without prejudice and without costs.

(T.D. 29857.)

Suit No. 2051. — SILK-WOOL DRESS GOODS. — *George H. Oberteuffer's Son v. United States*. United States Circuit Court, eastern district of Pennsylvania, May 11, 1909. No. 446. On application for review of a decision by the Board of United States General Appraisers.

Decision *affirmed* by consent. *Ballot v. United States* (T.D. 29766) and *United States v. Scruggs* (156 Fed. Rep., 940; T.D. 28580) followed, relating to silk-wool dress goods. For decision below see Abstract 20033 (T.D. 29372). No appeal.

Suits Nos. 5292, 5331, 5343, 5381, and 5386-5387. — SILK-WOOL DRESS GOODS. — *L. Ballot v. United States* (5292), *L. Ballot v. United States* (5331), *C. A. Auffmordt & Co. v. United States* (5343), *John L. Maine* (5381), *L. Ballot v. United States* (5386), *C. A. Auffmordt & Co. v. United States* (5387). United States Circuit Court, southern district of New York, May 19, 1909. On application for review of decisions by the Board of United States General Appraisers. Before Platt, District Judge.

Decisions *affirmed* by consent. *Ballot v. United States* (T.D. 29766) and *United States v. Scruggs* (156 Fed. Rep., 940; T.D. 28580) followed, relating to silk-wool dress goods. For decisions below see Abstract 18983 (T.D. 29031), Abstract 19382 (T.D. 29159), Abstract 19524 (T.D. 29214), Abstract 19839 (T.D. 29313), and Abstract 19868 (T.D. 29329). No appeal.

Flax wool fabrics.

The following protests against the duty assessed have been overruled, *United States v. Johnson* (T.D. 28516) followed, Abstracts 19495, 19837, 20182, 20451, 20859.

(T.D. 28776.)

Hair press cloth.

OBERLE v. UNITED STATES.

U.S. Circuit Court, Eastern District of Louisiana. December 23, 1907.

No. 13450 (suit 1936).

CAMEL-HAIR PRESS CLOTH — MANUFACTURES OF WOOL. — Press cloth made from the hair of the camel is dutiable as manufactures of wool "not specially provided for," under paragraph 366, tariff act of 1897, and not as "hair press cloth" under paragraph 431.

ON application for review of a decision by the Board of United States General Appraisers.

[Decision in favor of the Government.]

For decision below see G.A. 6504 (T.D. 27792), affirming the assessment of duty by the collector of customs at the port of New Orleans on merchandise imported by Oberle & Henry.

The merchandise involved consists of press cloth made from the hair of the camel. It was classified under paragraph 366, tariff act of 1897, relating to "manufactures of every description made wholly or in part of wool, not specially provided for," by virtue of the definition of "wool" in paragraph 383, the pertinent part of which reads as follows:

383. Whenever, in any schedule of this Act, the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the . . . camel.

The importers sought classification under paragraph 431, providing for "hair press cloth."

The majority of the Board were of opinion that the classification complained of was correct and overruled the importers' protest, a decision of the Circuit Court, southern district of New York, on hair press cloth, in *Caldwell v. United States* (141 Fed. Rep., 487; T.D. 26489), being distinguished on the ground that the article there under consideration was shown to contain no camel hair.

Walden & Webster (*Henry J. Webster* of counsel), for the importers.

W. W. Howe, United States attorney (*Albert G. McDonald*, special assistant United States Attorney, and *Charles D. Lawrence*, assistant Treasury counsel, of counsel; *Carroll, Henderson & Carroll*, on the brief), for the United States.

BOARMAN, *District Judge*: This cause came on to be heard on a previous day, on the pleadings, exhibits, and transcript of proceedings before the Board of United States General Appraisers, and the testimony in the cause, and was argued by counsel. In consideration whereof it is now ordered, adjudged, and decreed that the findings and decision of the Board of the United States General Appraisers, rendered and returned herein, be, and the same is hereby, in all things affirmed.

NOTE. — An appeal has been taken by the importers to the Circuit Court of Appeals, fifth circuit.

(T.D. 29352.)

Hair press cloth.

OBERLE v. UNITED STATES.

U.S. Circuit Court of Appeals, Fifth Circuit. November 10, 1908. No. 1770 (suit 1936).

CAMEL-HAIR PRESS CLOTH — MANUFACTURES OF WOOL. — Press cloth made from the hair of the camel is dutiable as manufactures of wool, "not specially provided for," under paragraph 366, tariff act of 1897, and not as "hair press cloth" under paragraph 431.

APPEAL from the Circuit Court of the United States for the eastern district of Louisiana.

[Decision in favor of the Government.]

In the decision below, which is reported as T.D. 28776,* the Circuit Court, without opinion, affirmed a decision by the Board of United States General Appraisers, G.A. 6504 (T.D. 27792), in which, one member dissenting, the assessment of duty by the collector of customs at the port of New Orleans had been affirmed, on an importation by Oberle & Henry. Note *Caldwell v. United States* (141 Fed. Rep., 487; T D. 26489).

The subject of these proceedings consists of press cloth made from hair of the camel. It was classified under paragraph 366, tariff act of 1897, relating to "manufactures of every description made wholly or in part of wool not specially provided for." This classification as manufactures of "wool" was made on account of the statutory definition of that term, given in paragraph 383, the pertinent part of which reads as follows:

383. Whenever, in any schedule of this Act, the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the . . . camel.

The importers contend that the Board of General Appraisers and the Circuit Court erred in affirming this classification, and that the material in question should have been classified under paragraph 431, providing for "hair press cloth."

Walden & Webster and *Hall & Monroe* (*Henry J. Webster* of counsel), for the importers.

Albert G. McDonald, special assistant United States attorney, and *Joseph W. Carroll* (*Rufus E. Foster*, United States attorney, *Charles D. Lawrence*, assistant Treasury counsel, and *Carroll, Henderson & Carroll*, on the brief), for the United States.

Before PARDEE, McCORMICK, and SHELBY, Circuit Judges.

PER CURIAM: A majority of the judges are of opinion that the decree of the Circuit Court was correct, and it is therefore affirmed.

* See preceding decision.

(T.D. 29253.)

Suit No. 1755. — REAPPRAISEMENT OF BAGDAD WOOL. — G. Gulbenkian & Co. v. United States. United States Circuit Court, district of Massachusetts, December 16, 1907. No. 84. On application for review of a decision by the Board of United States General Appraisers.

Decision *reversed* without opinion. Same question as in *Gulbenkian v. United States* (153 Fed. Rep., 858; T.D. 28079), relating to the appraisement of white and colored Bagdad wools. For decision below see Abstract 8114 (T.D. 26724). No appeal.

(T.D. 29376.)

Cabretta skins.

JOHNSON v. UNITED STATES.

U.S. Circuit Court of Appeals, Second Circuit. November 16, 1908.
No. 21 (suit 4615).

1. CABRETTE SKINS — WOOL. — The growth on cabretta skins is properly classified as "wool" under Schedule K, tariff act of 1897.
2. COMMERCIAL DESIGNATION — PROOF AS OF TIME OF ENACTMENT OF LAW. — Evidence as to commercial designation in a tariff act must be given as of the time of the passage of the act.
3. SAME — PROOF — QUALIFICATIONS OF WITNESSES. — Evidence as to the commercial meaning of the term "wool" should be given by dealers in wool; and testimony that the growth on cabretta skins is not wool is inadmissible if given by dealers in other materials, as skins, hair, etc.

APPEAL from the Circuit Court of the United States for the southern district of New York.

[Decision in favor of the Government.]

The decision below (159 Fed. Rep., 189; T.D. 28538) affirmed a decision by the Board of United States General Appraisers, which is reported as Abstract 13004 (T.D. 27649), and which affirmed the assessment of duty by the collector of customs at the port of New York on importations by Lawrence Johnson & Co.

Walden & Webster (*Henry J. Webster* of counsel), for the importers.

D. Frank Lloyd, assistant United States attorney, for the United States.

Before LACOMBE, COXE, and WARD, Circuit Judges.

LACOMBE, *Circuit Judge*: In *Lawrence Johnson v. United States* (145 Fed. Rep., 1022; T.D. 27191, affirming 140 Fed. Rep., 116; T.D. 26487) we held that these cabretta skins were sheepskins within the meaning of the tariff act. That decision is not necessarily determinative of the classification of the substance that grows on them. The Supreme Court has held that:

The use of the word "wool" in the tariff act excluded a substance which, while it was a growth upon a sheepskin, was nevertheless commercially known, designated, and dealt in as . . . hair, . . .

which would not be accepted by dealers as a good delivery of wool. *Goat and Sheepskin Company v. United States* (206 U.S., 194; T.D. 28190).

The importers' present contention is that the substance on these particular skins is commercially known, designated, and dealt in as hair; but the evidence fails to establish that proposition, which is not surprising, since it would seem that the case was not tried on that theory. Persuasive proof would be found in the testimony of dealers in wool, competent to testify as to commercial meanings of words known to that trade at the time of the passage of the tariff act. How far short of such proof is the evidence here presented, will appear from a brief reference to the testimony of the witnesses. Of those called by the importer the first was a dealer in goatskins, sheepskins, and cabretta skins, who admitted he was not an expert on wool and hair. The second was a manufacturer of kid leather for shoes, buying as his raw material goatskins and cabretta skins, and selling to hair dealers the substance he removes from them. He made no statement as to commercial designation. The third was a hair manufacturer, who bought the substance in question and also low grades of wool. Even if it were conceded that he was qualified to testify, he did not undertake to define any commercial designations in use at and prior to the date of the passage of the act. Skins like these were imported long prior thereto. The fourth was a manufacturer of woollens, who has been buying hair and wool from a time prior to 1897. He said that he had always bought the substance in question as cabretta hair. The fifth is a manufacturer of leather, who has "never been in the wool business;" and the sixth a broker in skins, hides, and rubber, who was not interrogated as to the commercial meaning of "wool."

Of the Government witnesses, the first was a wool examiner in the appraiser's stores whose only personal experience with wool came in such service. He was not asked as to commercial designation at and prior to July 24, 1897. The second was an importer of skins and hides. The third had been an examiner of wool in the appraiser's office for a few months, but had thirty-two years' experience in the wool business, buying and selling. He was asked whether the growth on some of these skins would be a good commercial delivery for wool, but the question was not directed to the proper period — on and prior to July 24, 1897.

The proof is wholly insufficient to overcome the presumption that the appraiser acted properly in classifying the growth on these skins as wool of the third class, unwashed.

The decision of the Circuit Court is affirmed.

(T.D. 29692.)

Suit No. 4614. — CABRETТА SKINS. — Emile Boris *v.* United States. United States Circuit Court, southern district of New York, March 26, 1909. On application for review of a decision by the Board of United States General Appraisers.

Decision *affirmed* by consent. Johnson *v.* United States (166 Fed. Rep., 728; T.D. 29376) followed, relating to cabretta skins. For decision below see Abstract 13004 (T.D. 27649).

Suit No. 4615. — CABRETТА SKINS. — Lawrence Johnson & Co. *v.* United States. United States Supreme Court, March 8, 1909. No. 733. On application for a writ of certiorari to the Circuit Court of Appeals for the second circuit.

Petition *denied*. The decision below (166 Fed. Rep., 728; T.D. 29376) affirmed a decision (159 Fed. Rep., 189; T.D. 28538) by the Circuit Court for the southern district of New York, which had affirmed a decision by the Board of United States General Appraisers, Abstract 13004 (T.D. 27649). The importers contended that the growth on cabretta skins was not "wool" within the meaning of Schedule K, tariff act of 1897.

(T.D. 29763.)

Abstract No. 21247. — CABRETТА SKINS. — Protests 123267, etc., of Lawrence Johnson & Co., *et al.* (New York), and protests 214871, etc., of L. Johnson & Co. (Philadelphia). Opinions by McClelland, G. A.

Protests overruled as to cabretta skins. Johnson *v.* United States (166 Fed. Rep., 728; T.D. 29376) followed.

(T.D. 29857.)

Suit No. 4258. — CABRETТА SKINS. — Booth & Co. *v.* United States. United States Circuit Court, southern district of New York, May 10, 1909. On application for review of a decision by the Board of United States General Appraisers. Before Platt, District Judge.

Decision *affirmed* by consent. Johnson *v.* United States (166 Fed. Rep., 728; T.D. 29376) followed, relating to the hair on cabretta skins. For decision below see Abstract 11130 (T.D. 27331). No appeal.

(T.D. 29449.)

Abstract No. 20340. — HAIR ROLLS — WOOL WEARING APPAREL. — Protest 332202-27959 of Downing, Judae & Co. (Chicago). Opinion by Chamberlain, G. A.

So-called hair rolls composed of wool and wire, which were classified as wearing apparel in part of wool, were claimed to be dutiable as manufactures of human hair, or as manufactures of metal. Protest overruled.

(T.D. 29545.)

Abstract No. 20609. — HAIR ROLLS — WOOL WEARING APPAREL. — Protests 327148, etc., of F. B. Vandegrift & Co. (Philadelphia).

Merchandise classified under paragraph 370, tariff act of 1897, relating to wool wearing apparel, was claimed to be dutiable under paragraph 366 as manufactures of wool.

CHAMBERLAIN, *General Appraiser*: The merchandise in question is described on the invoices as "merry widow" hair rolls, "invicta" hair rolls, and "coila" hair rolls, all made of mohair. From the evidence it appears that the claim of the importers is limited to the merchandise described as "coila" hair rolls, the reason being that this type is imported in lengths other than the ordinary ones. . . .

Hair rolls have been held by the Board to be wearing apparel. Abstract 19007 (T.D. 29031); Abstract 29340 (T.D. 29449). But the hair rolls in the cases cited were of such a size as to admit their being worn upon the person in the size and condition as imported; while the "coila" hair roll, the one here in issue, is imported in 6-yard lengths, and in its imported condition is not suitable for immediate use upon the person, as it has to be cut into lengths to suit the individual tastes of the persons wearing the hair rolls. We find it provided for under paragraph 366 as manufactures of wool, and hold it dutiable at 44 cents per pound and 55 per cent ad valorem, sustaining the protests to this extent. On all other merchandise, and as to all other claims, the protests are overruled.

(T.D. 29546.)*

*Adeps lane.*ZINKEISEN *v.* UNITED STATES.

U.S. Circuit Court of Appeals, Second Circuit. January 12, 1909.
No. 119 (suit 4920).

ADEPS LANE — MEDICINAL PREPARATION — WOOL GREASE. — Adeps lane anhydrous and adeps lane cum aqua, which are worth from 10 to 15 cents per pound, are used principally in therapeutics and generally sold to the drug trade, though used to some extent in medicinal soaps and salves, are not "wool grease" within the meaning of paragraph 279, tariff act of 1897, but "medicinal preparations" under paragraph 68.

APPEAL from the Circuit Court of the United States for the southern district of New York.

[Decision in favor of the Government.]

The decision below (T.D. 29000) affirmed a decision by the Board of United States General Appraisers, Abstract 15013 (T.D. 28074), which had overruled protests of Zinkeisen & Co. against the assessment of duty by the collector of customs at the port of New York. The article in controversy was invoiced as "adeps lane anhydrous," "adeps lane cum aqua," and "wool grease."

* Not being of special interest to wool manufacturers, part of the text of this Decision is omitted.

Walden & Webster (*Howard T. Walden* of counsel), for the importers.
J. Osgood Nichols, assistant United States attorney, for the United States.

Before LACOMBE, COXE, and NOYES, Circuit Judges.

(T.D. 29645.)

Furniture.

WOODRUFF *v.* UNITED STATES.

U.S. Circuit Court, Southern District of New York. March 15, 1909.
 Suit 5276.

1. FURNITURE OF WOOD—FURNITURE IN CHIEF VALUE OF SILK.—The provision in paragraph 208, tariff act of 1897, for "furniture of wood" is not limited by the words "of which wood is the component material of chief value;" and furniture with wooden frames, upholstered with silk-wool tapestry, silk being the component material of chief value in the completed articles, is dutiable under said provision rather than under paragraph 366 ("manufactures of every description . . . in part of wool") or under paragraph 391 (manufactures in chief value of silk).
2. MANUFACTURES OF SILK AND WOOL—FURNITURE—PROVISO.—The proviso in paragraph 391, tariff act of 1897, that "all manufactures, of which wool is a component material, shall be classified . . . as manufactures of wool" does not extend outside of the silk schedule in which it is found, and possibly should be restricted even to said paragraph; and the "furniture" enumerated in the wool schedule is not subject to this proviso, though in part of wool and in chief value of silk.

ON application for review of a decision by the Board of United States General Appraisers.
 [Decision adverse to the Government.]

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 The Government also relies on the last clause of paragraph 391 in the schedule of "Silk and silk goods," which reads:

Provided, That all manufactures, of which wool is a component material, shall be classified and assessed for duty as manufactures of wool.

If this clause were in the wool schedule the argument that it is of universal application would be more persuasive. Placed as it is the mere natural construction would restrict its application to the articles enumerated in the paragraph in which it appears, or possibly even to those enumerated in the silk schedule.

The decision is reversed, with instructions to classify under paragraph 208.

[A portion of this Decision is published because of the bearing of the provision in paragraph 391. — *Ed.*]

(T.D. 29715.)*

Abstract No. 21120. — FUR SHEEPSKINS. — Protests 312386, etc., of J. F. Heckman & Son (Boston). Opinion by McClelland, G.A.

The protests related to what are known as short-wool skins, imported specially for manufacture into fur coats and other articles. The importers contended that they are free of duty under paragraph 561 or 562, tariff act of 1897, relating to furs. Protests sustained. Abstract 17754 (T.D. 28634), Abstract 19272 (T.D. 29119), and Abstract 19545 (T.D. 29229) followed.

Abstract No. 21121. — FUR SHEEPSKINS. — Protest 208086 of Carleton & Moffatt (New York). Opinion by McClelland, G.A.

Protest sustained as to fur sheepskins. Abstract 17754 (T.D. 28634), Abstract 19272 (T.D. 29119), and Abstract 19545 (T.D. 29229) followed.

Abstract No. 21124. — MOCHA SHEEPSKINS. — Protest 171935 of J. W. Hampton, Jr., & Co. (Philadelphia). Opinion by McClelland, G.A.

Protest sustained as to mocha sheepskins. Goat and Sheepskin Import Company *v.* United States (206 U.S., 194; T.D. 28190) followed.

(T.D. 29727.)

Abstract No. 21147. — WOOL ON SKINS — DIFFERENCE IN TEST. — Protest 319884 of G. M. Heintz (Buffalo).

The importer contended that the ascertained weight of wool on sheepskins was excessive to the amount of 3600 pounds. Protest overruled.

MCCLELLAND, *General Appraiser*: . . . It appears that the importation was made into the port of Buffalo, July 23, 1908, and that the appraiser diligently proceeded under the regulations of the Treasury Department to ascertain the weight of the wool on said skins, which he returned as 24,053 pounds. The protest claim is that said wool did not exceed 14,801 pounds.

The evidence in the case fails to support protestant's contention that the said 3600 pounds of wool was not Class 2 as returned by the appraiser and assessed for duty by the collector.

As to the weight of the wool returned by the appraiser, it appears that immediately preceding the hearing, which was about five months after the date of the importation, the importer made a further test as to the quantity of wool said skins would yield. One skin representing the average from each of six bales was sheared. The result of this test by the protestant showed an average of a fraction over 60 per cent of the total weight of the skins, whereas the percentage of the whole weight returned as wool by the appraiser was 65 per cent.

Since it appears that so much time elapsed between the date of the

* See T. D. 29738, p. 506. The Department directed an appeal from this decision.

importation and the importer's test, and it being a matter of common knowledge, as well as being shown by the record, that the weight of wool varies according to climatic conditions and the temperature of the place of storage, it is not at all surprising that there should have been a difference of 5 per cent between the official test and the later test by protestant; and we see no reason to doubt that the return of the appraiser represented the actual test of the wool at the time of importation. The appraiser in ascertaining the weight of the wool under the regulations appears to have complied therewith, and it is quite probable that both of said tests represented the actual average weight of the wool at the times the tests were made. We see no reason to disturb the collector's assessment of duty.

(T.D. 29738.)

Wool on sheepskins.

Appeal directed from decision of Board of United States General Appraisers, Abstract 21120 (T.D. 29115), involving the classification of wool on sheepskins.

TREASURY DEPARTMENT, May 8, 1909.

SIR: The Department is in receipt of the decision of the Board of United States General Appraisers of the 26th ultimo, Abstract 21120 (T.D. 29715), wherein it was held that certain wool on sheepskins is not dutiable under paragraph 360 of the tariff act, but that as the sheepskins were imported specially to be made into fur articles they were entitled to free entry under paragraph 562 of the said act.

As the issue is an important one, you are hereby directed to file an application for a review of the said decision under the provisions of Section 15 of the act of June 10, 1890.

Respectfully,

JAMES B. REYNOLDS.

Assistant Secretary.

(52329.)

COLLECTOR OF CUSTOMS, Boston, Mass.

(T.D. 29805.)

Wool olein.

SWAN & FINCH COMPANY v. UNITED STATES.

U.S. Circuit Court, Southern District of New York. May 13, 1909.
Suit 5426.

WOOL OLEIN — WOOL GREASE — DISTILLED OIL.—Wool olein, an oil distilled from wool grease, is not "wool grease" within the meaning of paragraph 279, tariff act of 1897, but is dutiable as a distilled oil under paragraph 3.

On application for review of a decision by the Board of the United States General Appraisers.

[Decision in favor of the Government.]

The decision below, which is reported as Abstract 20159 (T.D. 29442), affirmed the assessment of duty by the collector of customs at the port of New York. The Board's opinion reads as follows:

CHAMBERLAIN, *General Appraiser*: The merchandise in question, described on the invoices as olein, consists of a dark reddish oil distilled from wool grease. It was returned as an acid not specially provided for, and duty was assessed thereon at the rate of 25 per cent ad valorem under paragraph 1 of the tariff act of 1897. The importers claim the merchandise to be dutiable under paragraph 279 of said act at one-half cent per pound as wool grease.

At the hearing the examiner who passed the merchandise testified that his return was erroneous and that the merchandise should have been returned as a distilled oil under paragraph 3, dutiable at 25 per cent ad valorem. That the same is a distilled oil is very conclusive, for an examination of the evidence shows that not only the Government witness but the importers' witness testified that the article is a *distilled oil*. The sole question, then, is whether the article is or is not commercially known as wool grease. This the importers failed to prove, for the reason that one interested witness is insufficient to establish commercial designation. *Neuss v. United States* (142 Fed. Rep., 281; T.D. 26597); *Berbecker v. Robertson* (152 U.S., 373).

Furthermore, in G.A. 6084 (T.D. 26539) the Board had before it for consideration similar merchandise, and the claim of the importers that the merchandise should be admitted as wool grease was not upheld, it being held dutiable as a distilled oil. A comparison of the chemical analysis of the article here in issue and that passed upon by the Board shows but slight variations, the specific gravity, the free fatty acids, and the unsaponifiable matter being almost identical.

It is our opinion that the article under consideration is a distilled oil, that it is not wool grease, and that it is not known in trade as such. We hold it is properly dutiable under paragraph 3 as a distilled oil, and overrule the protests without affirming the action of the collector.

Brooks & Brooks (Frederick W. Brooks of counsel), for the importers.

D. Frank Lloyd, assistant United States attorney, for the United States.

PLATT, *District Judge*: The article in controversy was invoiced as olein, but is shown by the testimony to be also known as wool olein or "wooleine." It is described by the Board of General Appraisers as consisting of "a dark reddish oil distilled from wool grease." By an admitted error it was classified as an acid. The Board, without approving the collector's assessment, held that it should have been classified as a distilled oil under paragraph 3, tariff act of 1897, and overruled the importers' contention for classification under paragraph 279 as "wool grease."

I am of the opinion that the Board should be affirmed. For one thing there being evidence to support their finding that the material in dispute is not wool grease, I am bound by that finding. But aside from

that consideration, I think that if I had been the Board I should have decided as they have.

In *Movius v. United States* (66 Fed. Rep., 734), wool grease was said to be of a "viscous consistency," while the substance at bar is an oil and, being distilled from wool grease, should be considered as a product of that material, rather than wool grease itself. It is not the "crude raw material" referred to by the Circuit Court of Appeals in the *Zinkeisen* case (167 Fed. Rep., 312; T.D. 29546) as being the article intended by Congress to be covered by the expression "wool grease."

Decision affirmed.

NOTE.—No appeal will be taken in this case.

(T.D. 29825.)

Cattle-hair goods.

ROSENSTERN *v.* UNITED STATES.

U.S. Circuit Court of Appeals, Second Circuit. May 25, 1909. No. 249 (suit 5152).

1. CATTLE-HAIR GOODS — SIMILITUDE TO WOOL. — Cattle-hair goods are dutiable by similitude as manufactures of wool under paragraph 366, tariff act of 1897.
2. SIMILITUDE — RESEMBLANCE IN USE. — Resemblance in "use" within the meaning of the similitude clause in Section 7, tariff act of 1897, exists between fabrics composed of calf hair and cotton and used in manufacturing cloaks, and fabrics of similar composition, except that they contain a substantial percentage of wool or mohair noils, which are also used in manufacturing cloaks. The circumstance that the latter fabrics are of a better grade and command a higher price does not prevent the application of the similitude clause.

APPEAL from the Circuit Court of the United States for the southern district of New York.

[Decision in favor of the Government.]

The decision below (T.D. 29390), affirming G.A. 6686 (T.D. 28592), related to goods imported by P. Rosenstern & Co.

Brooks & Brooks (*Frederick W. Brooks* of counsel), for the importers.

D. Frank Lloyd, assistant United States attorney, for the United States.

Before LACOMBE, CONE, and WARD, Circuit Judges.

LACOMBE, *Circuit Judge*: The tariff defines the word "wool" as follows:

Par. 383. Whenever, in any schedule of this Act, the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the sheep, camel, goat, alpaca or other animal, whether manufactured by the woolen, worsted, felt, or any other process.

The Board was convinced by the testimony before it that the fabric imported, besides a cotton warp and calf-hair filling, contained as substance used to hold the calf-hair fibers in place either coarse East India wool, wool waste, or mohair noils. It was classified, therefore, under

Par. 366. On cloths, knit fabrics, and all manufactures of every description made wholly or in part of wool, not specially provided for

in this Act, valued at not more than 40 cents per pound, the duty per pound shall be three times the duty imposed by this Act on a pound of unwashed wool of the first class; valued at above 40 cents per pound and not above 70 cents per pound, the duty per pound shall be four times the duty imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, 50 per centum ad valorem. . . .

Further testimony was taken in the Circuit Court, and upon the record as it now stands we fully concur with the conclusion of the judge who heard the cause below that it does not satisfactorily appear that wool, goat hair, or mohair enters into the manufacture of the articles in controversy. The results of the chemical analyses and the report from the confidential agent of the Treasury Department in Berlin cannot be disregarded because manufacturers in this country testify that they cannot produce the fabric upon the machines they use without the use of some "wool" to hold the calf-hair fibers in place.

There being no special provision covering this fabric, the question is, How shall it be classified? It is not with that part of Section 7 which deals with nonenumerated articles manufactured of two or more materials, because both of the materials of which the fabric is composed are on the free list, the cotton under paragraph 537 and the calf hair under paragraph 571. The importers contend that they are dutiable as a nonenumerated manufactured article under Section 6; the Government contends that they are dutiable by similitude to articles enumerated under paragraph 366 (*supra*). The Board and the Circuit Court so held.

We concur with both tribunals in the conclusion that as to these goods this court is controlled by the decision of the Supreme Court in *Arthur v. Fox* (108 U.S., 125). In that case the importations were composed of cow or calf hair, vegetable fiber, and cotton, an imitation of sealskin, and used for manufacturing hats and caps. Here the fabric is composed of calf hair and cotton, an imitation of pony fur, and used for manufacturing cloaks. In the *Fox* case they were found to be substantially similar to manufactures of goats' hair and cotton, made to imitate sealskin, and used for the purposes for which sealskin is used. The goods in suit bear a like similarity to certain manufactures of calf hair and cotton with a substantial percentage of wool or mohair noils, which are used for cloaks, but being of a better grade and more durable are also used for other purposes (such as car seat coverings), which involve more wear and tear. In our opinion these additional uses of the standard with which these importations are compared do not disprove a similarity in use, and the weight of the testimony establishes a similarity in texture and quality as well. Nor does the circumstance that the goods with some wool in them are of a better grade and command a higher price prevent the application of the similitude paragraph.

The decision is affirmed.

COMPARATIVE STATEMENT OF IMPORTS AND EXPORTS OF
WOOL AND MANUFACTURES OF WOOL FOR THE TWELVE
MONTHS ENDING JUNE 30, 1908 AND 1909.

GROSS IMPORTS.

ARTICLES AND COUNTRIES.	Quantities for Twelve Months ending June 30.		Values for Twelve Months ending June 30.	
	1908.	1909.	1908.	1909.
WOOL, HAIR OF THE CAMEL, GOAT, ALPACA, ETC., AND MANUFACTURES OF:				
UNMANUFACTURED—				
Class 1—Clothing (dutiable)—	<i>Pounds.</i>	<i>Pounds.</i>		
Imported from—				
United Kingdom	15,253,234	54,606,609	\$3,244,567	\$11,809,956
France	37,947	387,620	5,871	74,004
South America	13,307,481	46,449,337	2,399,700	7,876,473
Asia and Oceania	16,437,118	35,384,711	4,485,764	8,513,960
Other countries	762,523	5,752,716	142,297	1,181,205
Total	45,798,303	142,580,993	\$10,278,199	\$29,455,598
Class 2—Combing (dutiable)—				
Imported from—				
United Kingdom	9,423,296	18,334,147	\$2,534,370	\$3,851,934
Other Europe	888,874	191,473	315,712	42,161
British North America	1,253,606	1,484,641	315,560	306,713
South America	1,676,410	1,907,693	428,229	381,631
Other countries	90,354	34,305	30,746	9,120
Total	13,332,540	21,952,259	\$3,624,617	\$4,591,559
Class 3—Carpet (dutiable)—				
Imported from—				
United Kingdom	13,054,750	31,103,417	\$1,916,209	\$3,585,550
France	1,598,044	1,508,904	281,725	204,721
Germany	1,239,449	2,891,902	233,709	334,036
Other Europe	20,997,609	11,873,218	3,292,891	1,350,658
South America	1,008,190	6,946,830	137,914	735,469
Chinese Empire	18,137,991	32,272,982	2,148,878	3,119,597
Other Asia and Oceania	10,782,751	15,214,525	1,748,953	1,788,466
Other countries	30,897	64,274	1,843	6,340
Total	66,849,681	101,876,052	\$9,762,122	\$11,124,837
Total unmanufactured	125,980,524	266,409,304	\$23,664,935	\$45,171,994
MANUFACTURES OF—				
Carpets and Carpeting (duti- able)—	<i>Sq. Yards.</i>	<i>Sq. Yards.</i>		
Imported from—				
United Kingdom	145,035	166,188	\$362,178	\$400,268
Other Europe	384,060	671,647	1,745,247	2,918,464
Asia and Oceania	155,730	201,634	670,512	692,050
Other countries	1,959	2,909	17,129	12,730
Total	686,784	1,042,378	\$2,795,066	\$4,032,512

COMPARATIVE STATEMENT OF IMPORTS AND EXPORTS OF WOOL, ETC.

GROSS IMPORTS. — *Continued.*

ARTICLES AND COUNTRIES.	Quantities for Twelve Months ending June 30.		Values for Twelve Months ending June 30.	
	1908.	1909.	1908.	1909.
	<i>Pounds.</i>	<i>Pounds.</i>		
Clothing, ready-made, and other wearing apparel, except shawls and knit fabrics (dutiable) . . .	.....	.....	\$1,620,270	\$1,416,934
CLOTHS—(dutiable)— Imported from—				
United Kingdom	2,118,849	2,262,374	\$2,558,174	\$2,604,925
Austria-Hungary	275,273	241,727	269,737	224,150
Belgium	407,687	507,739	401,165	488,402
France	125,452	135,846	167,577	192,065
Germany	1,500,991	1,346,728	1,443,313	1,253,714
Other countries	14,996	15,810	19,830	17,352
Total	4,443,248	4,510,224	\$4,859,796	\$4,780,606
DRESS GOODS, WOMEN'S AND CHILDREN'S—(dutiable)— Imported from—	<i>Sq. Yards.</i>	<i>Sq. Yards.</i>		
United Kingdom	22,296,361	16,397,198	\$3,717,128	\$2,609,746
France	13,737,380	9,811,862	3,188,447	2,169,703
Germany	8,716,622	8,223,248	2,228,870	1,931,766
Other countries	281,779	187,439	83,359	50,321
Total	45,035,142	34,619,747	\$9,217,804	\$6,761,536
	<i>Pounds.</i>	<i>Pounds.</i>		
Knit fabrics (dutiable) . . . . .	.....	.....	\$35,635	\$57,113
Mungo, flecks, shoddy, noils, wool extracts, rags, and waste (dutiable)	1,265,038	495,173	125,894	141,625
Yarns (dutiable)	192,826	284,393	151,035	223,704
All other (dutiable) . . . . .	.....	.....	552,568	678,430
Total manufactures of . . . . .	.....	.....	\$19,387,978	\$18,102,460

COMPARATIVE STATEMENT OF IMPORTS AND EXPORTS OF
WOOL, ETC. — *Concluded.*

EXPORTS OF WOOL AND MANUFACTURES OF.

FOREIGN.				
ARTICLES.	1908.	1909.	1908.	1909.
	Quantities.	Quantities.	Values.	Values.
WOOL, HAIR OF THE CAMEL, GOAT, ALPACA, ETC., AND MANUFACTURES OF:				
UNMANUFACTURED—				
Class 1—Clothing (dutiable) lbs .	1,259,105	577,304	\$280,363	\$91,267
Class 2—Combing “ “ .	25,296	88,412	7,253	23,121
Class 3—Carpet “ “ .	4,399,956	2,829,883	648,603	483,864
Total unmanufactured	5,684,357	3,495,599	\$936,219	\$598,252
MANUFACTURES OF—				
Carpets and carpeting, sq. yds., dutiable	13,240	10,057	\$114,909	\$42,534
Clothing, ready made, and other wearing apparel, dutiable	80,213	62,420	21,700	12,438
Cloths, pounds, dutiable	337,339	347,245	74,909	58,909
Dress goods, women's and children's, sq. yds., dutiable . . .			58,679	68,331
Mungo, flocks, shoddy, noils, wool extracts, rags, and waste, pounds, dutiable	8,178	216,453	733	3,865
Yarns, pounds, dutiable		635		498
All other, dutiable			14,129	25,970
Total manufactures of			\$285,059	\$212,545
DOMESTIC.				
WOOL, AND MANUFACTURES OF —				
Wool, raw, lbs.	182,458	28,376	\$42,104	\$4,668
MANUFACTURES OF—				
Carpets, yards	66,887	67,088	\$63,074	\$66,653
Dress goods, yards	18,266	22,212	13,668	13,786
Flannels and blankets			32,098	49,351
Wearing apparel			1,717,833	1,420,125
All other			393,142	422,024
Total			\$2,219,815	\$1,971,939

QUARTERLY REPORT OF THE BOSTON WOOL MARKET
FOR APRIL, MAY, AND JUNE, 1909.

DOMESTIC WOOLS. (GEORGE W. BENEDICT.)

	1909.			1908.
	April.	May.	June.	June.
OHIO, PENNSYLVANIA, AND WEST VIRGINIA.				
(WASHED.)				
XX and above	35	35	36	29 @ 30
X	34	34	35	27 @ 28
Blood	40	40	40 @ 41	31 @ 32
"	40	40	40	31 @ 32
"	38	38	38	30 @ 31
Fine Delaine	39 @ 40	39 @ 40	40 @ 41	32
(UNWASHED.)				
Fine	25 @ 26	25 @ 26	26 @ 27	20 @ 21
Blood	32 @ 33	33 @ 34	35 @ 36	25 @ 26
"	32 @ 33	33 @ 34	34 @ 35	25 @ 26
"	30 @ 31	31 @ 32	33 @ 34	23 @ 24
Fine Delaine	31	32	33	24 @ 25
MICHIGAN, WISCONSIN, NEW YORK, ETC.				
(WASHED.)				
Fine	39	39	39 @ 40	30 @ 31
Blood	38 @ 39	38 @ 39	39 @ 40	30 @ 31
"	37 @ 38	37 @ 38	38 @ 39	29 @ 30
Fine Delaine	38	38	39	31 @ 32
(UNWASHED.)				
Fine	23 @ 24	23 @ 24	25 @ 26	18 @ 19
Blood	31 @ 32	32 @ 33	33 @ 34	24 @ 25
"	31 @ 32	32 @ 33	33 @ 34	24 @ 25
"	29 @ 30	30 @ 32	32 @ 33	22 @ 23
Fine Delaine	30	31	32	23 @ 24
KENTUCKY AND INDIANA.				
(UNWASHED.)				
Blood	32 @ 33	33 @ 34	34 @ 35	24 @ 25
"	31 @ 32	32 @ 33	33 @ 34	22 @ 23
Braid	26	26 @ 27	28 @ 29	18 @ 19
MISSOURI, IOWA, AND ILLINOIS.				
(UNWASHED.)				
Blood	29	30 @ 32	32 @ 33	23 @ 24
"	28 @ 29	30 @ 31	31 @ 32	21 @ 22
Braid	25	25	25	17 @ 18
TEXAS.				
(SCOURD BASIS.)				
Spring, fine, 12 months	63 @ 65	63 @ 65	66 @ 68	50 @ 52
" " 6 to 8 months	54 @ 55	55 @ 57	60 @ 62	43 @ 45
" " medium, 12 months	56	56	58 @ 60	43 @ 45
" " 6 to 8 months	50	50 @ 52	53 @ 55	40 @ 41
Fall, fine	50	50 @ 52	53 @ 55	40 @ 41
" " medium	47	48	50 @ 52	35 @ 36
CALIFORNIA.				
(SCOURD BASIS.)				
Spring, Northern, free, 12 months	60 @ 61	60 @ 61	63 @ 65	48 @ 50
" " " 6 to 8 months	54 @ 55	55 @ 56	58 @ 60	43 @ 45
Fall, free	45 @ 46	46 @ 47	50 @ 52	33 @ 35
" defective	35 @ 42	35 @ 42	38 @ 42	25 @ 28
TERRITORY WOOL: Montana, Wyoming, Utah, Idaho, Oregon, etc.				
(SCOURD BASIS.)				
Staple, fine and fine medium	64 @ 66	66 @ 67	69 @ 72	55 @ 57
" " medium	53 @ 60	58 @ 60	63 @ 65	50 @ 52
Clothing, fine	60 @ 61	61 @ 62	65 @ 67	48 @ 50
" " " medium	57 @ 58	58 @ 60	62 @ 63	45 @ 46
" " medium	54 @ 55	56 @ 57	60 @ 61	42 @ 43
NEW MEXICO. (Spring.)				
(SCOURD BASIS.)				
No. 1	58 @ 60	60	62 @ 63	48 @ 50
No. 2	49 @ 50	49 @ 50	52 @ 53	40 @ 41
No. 3	39 @ 40	39 @ 40	42 @ 43	28 @ 28
No. 4	36 @ 38	36 @ 38	39 @ 41	22 @ 23
NEW MEXICO. (Fall.)				
(SCOURD BASIS.)				
No. 1	48 @ 49	48 @ 49	50 @ 51	33 @ 40
No. 2	39 @ 40	39 @ 40	42 @ 45	32 @ 33
No. 3	33 @ 34	33 @ 35	38 @ 40	25 @ 27
No. 4	32 @ 33	32 @ 33	35 @ 36	25 @ 27
GEORGIA AND SOUTHERN.				
Unwashed	28	28 @ 29	30	21

DOMESTIC WOOL.

JUNE 30, 1909.

The quarter under review (April, May, and June) has been one of unusual activity, especially in scoured and foreign wools. Territory wools and domestic fleeces have participated in the buying movement as far as the depleted stocks would admit and in the latter class large contracts have been made for future delivery. The market is now very bare of any desirable old wool and manufacturers are turning their attention to such offerings of the new clip as have arrived. An advance of from 33½ to 50 per cent over last year's values is easily obtained.

As the season progresses the horizon becomes brighter for both wool and manufactured goods. The new tariff bill is being framed with due regard for the interests of both wool growers and manufacturers and with this in mind the latter are willing to replenish their stocks, with great confidence that values will be no lower for the present season at least. The additional machinery which is being installed will call for a much larger consumption of wool than ever before and this increased demand against a stationary or decreasing supply of domestic wool makes for exceptionally strong values. Worsted goods are again more popular than woolens, although manufacturers of the latter class are more optimistic and hopeful of the future than for some time past.

As a general thing the new wools which are arriving indicate that the clip will be in excellent condition, which is most fortunate for the houses who took the risk of contracting wools on the sheep's back several months ago.

GEORGE W. BENEDICT.

PULLED WOOLS. (*Scoured basis.*) (W. A. BLANCHARD.)

	1909.			1908.
	April.	May.	June.	June.
Brushed, Extra	70 @ 73	70 @ 74	72 @ 75	60 @ 65
Fine A	63 @ 66	63 @ 67	65 @ 68	50 @ 55
A Super	56 @ 60	57 @ 62	60 @ 63	42 @ 45
B Super	48 @ 54	48 @ 55	50 @ 56	32 @ 36
C Super	30 @ 35	32 @ 36	33 @ 37	20 @ 25
Fine Combing	62 @ 65	63 @ 66	65 @ 68	50 @ 55
Combing	50 @ 55	50 @ 56	52 @ 57	40 @ 42
California, Extra	63 @ 67	63 @ 68	63 @ 70	52 @ 57

REMARKS.

The quarter was one of phenomenal activity in which all grades participated, with the result of a steady advance in values. The improvement in the demand for woolens noted at the close of the preceding quarter has continued and extended and the shorter-stapled wools, previously neglected, have had an equal chance with those of combing length. The radical change in the situation is shown in the fact that June B lambs reached the price-

level of 1905 — 57 cents scoured as against 35 cents a year ago. This statement applies to the standard New York pullings; and it may be added that, earlier in 1908, scoured B supers had fallen to a lower basis, even.

Light stocks were the rule at the close of the quarter — many pullers being sold up to production; and it may be said that the only wools in first hands carried over were those held in excess of market values.

W. A. BLANCHARD.

Boston, July 1, 1909.

FOREIGN WOOLS. (MAUGER & AVERY.)

	1909.			1908.
	April.	May.	June.	June.
Australian Combing:				
Choice	42 @ 45	42 @ 45	43 @ 46	41 @ 42
Good	40 @ 42	40 @ 42	40 @ 43	40 @ 41
Average	39 @ 40	39 @ 40	39 @ 41	36 @ 38
Australian Clothing:				
Choice	42 @ 43	42 @ 43	42 @ 43	41 @ 43
Good	40 @ 41	40 @ 41	40 @ 41	39 @ 41
Average	38 @ 40	38 @ 40	38 @ 40	37 @ 38
Sydney and Queensland:				
Good Clothing	40 @ 41	40 @ 41	40 @ 41	38 @ 40
Good Combing	41 @ 43	41 @ 43	41 @ 43	40 @ 41
Australian Crossbred:				
Choice	40 @ 41	40 @ 41	40 @ 42	35 @ 36
Average	34 @ 36	35 @ 37	35 @ 38	29 @ 31
Australian Lambs:				
Choice	42 @ 46	42 @ 46	42 @ 46	43 @ 45
Good	40 @ 43	40 @ 43	40 @ 43	40 @ 40
Good Defective	35 @ 38	35 @ 38	35 @ 38	30 @ 33
Cape of Good Hope:				
Choice	35 @ 37	35 @ 37	35 @ 37	31 @ 33
Average	31 @ 33	31 @ 33	32 @ 33	29 @ 30
Montevideo:				
Choice	32 @ 34	33 @ 35	34 @ 36	31 @ 32
Average	30 @ 31	30 @ 31	31 @ 33	28 @ 31
Crossbred, Choice	34 @ 35	35 @ 36	36 @ 37	28 @ 30
English Wools:				
Sussex Fleece	40 @ 41	40 @ 41	40 @ 41	35 @ 37
Shropshire Hogs	38 @ 39	39 @ 40	40 @ 41	34 @ 35
Yorkshire Hogs	34 @ 36	34 @ 36	35 @ 37	32 @ 34
Irish Selected Fleece	35 @ 36	35 @ 36	36 @ 37	32 @ 34
Carpet Wools:				
Scotch Highland, White	18 @ 20	19 @ 20	19 @ 20	16 @ 17
East India, 1st White Joria	26 @ 28	26 @ 28	27 @ 29	25 @ 26
East India, White Kandahar	24 @ 25	24 @ 25	25 @ 26	24 @ 25
Donkoi, Washed, White	28 @ 30	28 @ 30	28 @ 30	26 @ 28
Aleppo, White, Washed	27 @ 29	27 @ 29	27 @ 29	25 @ 27
China Ball, White	18 @ 20	18 @ 20	18 @ 20	16 @ 18
“ “ No. 1, Open	17 @ 19	17 @ 19	17 @ 19	16 @ 18
“ “ No. 2, Open	12 @ 14	12 @ 14	12 @ 14	15 @ 16

FOREIGN WOOLS.

The quarter under review has shown a continuation of the steady and persistent demand on the part of manufacturers for all descriptions of Class One Australian wools. There has been a marked increase in the purchase of merino crossbred at prices actually below the cost clean of domestic territory fine combings.

In addition to the inquiry for fine wools, the demand for crossbreds has been large and steady, and has prevented any accumulation of stocks in spite of very large importation from the London sales.

English wools have continued in moderate request. India wools have sold more freely than for many months, and America has bought more freely at Liverpool sales.

Carpet wools have been in better demand and prices continue high on account of speculative buying at interior points in Asia. Mills are well employed and there appears to be but little prospect of lower prices for some time.

MAUGER & AVERY.

JULY 1, 1909.

BULLETIN
OF THE
National Association of Wool Manufacturers
A QUARTERLY MAGAZINE
DEVOTED TO THE INTERESTS OF THE NATIONAL WOOL INDUSTRY.

VOL. XXXIX.] BOSTON, DECEMBER, 1909. [No. IV.

ANNUAL WOOL REVIEW
WITH ESTIMATE OF DOMESTIC WOOL CLIP OF 1909
AND OTHER STATISTICAL TABLES.

IN the pages which follow we present for the twenty-first consecutive year our annual estimate of the domestic wool product based upon the number of sheep fit for shearing April 1, 1909, together with numerous tables relating to sheep in various countries, the wool product, and the manufactures of wool and their importation. We have followed our accustomed lines in gathering information, and we desire to acknowledge our indebtedness for valuable assistance to sheepmen and others who have responded to our inquiries with helpful answers. We have no purpose to serve except to secure the most accurate information possible under prevailing conditions; and in this effort we have given due consideration to the views of the best informed wool growers, wool buyers, and dealers, together with those of officials in States where sheep are assessed for taxation. The result, it must be remembered, is an estimate and not an enumeration.

THE NUMBER OF SHEEP.

We place the number of sheep fit for shearing at 42,293,205, an increase of 1,981,657 over 1908 when the total stood at 40,311,548. This increase is made up chiefly of additions to the estimated number in Montana 400,000, Wyoming and Idaho

300,000 each, and New Mexico 200,000. A number of the States are credited with a small numerical increase, while in many the returns indicate a small decrease. The first group shown in Table I. is credited with nearly 762,000 increase, the second group with a loss of 10,000, and the third group after making all the deductions and additions shows a gain of 1,230,000 head.

The wool season of 1909 witnessed a full recovery in prices and volume of business from the disastrous year of the financial panic that came in with October, 1907. Not since the free wool period of 1894-1897 had the wool growers of America faced such discouraging conditions as those of the winter of 1907-1908. The strain on the entire industry was a severe one, and it came perilously near to sending into bankruptcy some of the largest and strongest wool houses in the United States. There was some small recovery in May, 1908, and a better feeling still when the Presidential campaign of that summer and autumn indicated a probable victory for the party that stood for adequate protection to American industries. In the late autumn of 1908 the wool market took on new strength, which has been maintained or increased to the present.

In January, 1909, the London wool sales opened in a way that stimulated interest in fine foreign wools in American markets. Prices were firmly maintained throughout January in Australia and the United States, and though in the weeks that followed there was some shrinkage in transactions, due largely to the high figures demanded by the wool growers, the market manifested new life in March, on the reporting of the new tariff bill to the House of Representatives.

There was a change of classification and a slight reduction on third class wools in the House bill, but the Dingley protection for first and second class wools was fully maintained. A sharpening demand for Western wool was an immediate result, and the practice of contracting for wool on the sheep's backs, which had been reported earlier in the year, became an actual and conspicuous feature of the market. As the special session of Congress drew along and it became more and more unmistakable that the protectionist majority in Senate and House would be unshaken by attack, a buoyant, even a speculative, tendency in wool values developed in the great sheep States of the West and was reflected in the seaboard market. Toward the end of April prices reached a 23-cent basis in Montana under the keen

competition of Eastern wool houses. Buying was proceeding actively in Ohio and other fleece wool sections, and the earlier caution among manufacturers had apparently been overcome. By the first week in May the conditions in the wool market could fairly be described as excited, and prices continued to improve. A 24-cent level was reached in Montana, and the London wool sales opened very strongly, with an advance of fully 10 per cent on merinos and 25 per cent on fine crossbreds. In Ohio as much as 33 cents was paid for fleece wool and nearly the same figure was reached in Michigan. In June a 25-cent level was attained in Montana.

These exceedingly high prices naturally brought some slackening in the demand, and the close of the half-year, on July 1st, was characterized by some return to normal conditions and a lessening of the extraordinary activity of two months before. It was estimated at this time that fully 75,000,000 pounds of the new clip had already been disposed of to manufacturers.

The London wool sales of July disclosed a firmer demand and a strengthening of prices, and these conditions were even more conspicuous in the domestic market. One characteristic of the market was an improved demand from carded woolen manufacturers for wools to be utilized in fabrics that had been relatively neglected for several years. Not since 1905 had there been so good a demand for the output of this division of the manufacturing industry. August brought the final enactment of the new tariff law, and almost simultaneously a very important purchase of from 35,000,000 to 45,000,000 pounds of wool by the American Woolen Company, occasioning an advance in general wool prices of from one-half to one cent a grease pound. During two weeks of August the total sales of domestic wool amounted to more than 60,000,000 pounds, the largest fortnight's business in the history of the industry.

The autumn opened with an active demand and an upward tendency of prices. American wool manufacturing machinery was more busily employed than it had been for a long time, and much new machinery was being installed to increase the volume of production. Many wool buyers sailed in September direct for the Australian and London markets, and American competition for wools suitable for manufacture in this country proved to be a more notable factor even than ever before. The Australian clip was recognized as an unprecedented one in size and quality.

The London wool sales fully equalled if they did not exceed the most sanguine anticipations. Domestic wool continued in particularly strong demand until, at the opening of October, the total wool stock in the Boston market was estimated to be smaller than ever before at that time of the year. Again, a conspicuous feature of the market was the improved demand for those wools suitable for carded woolen manufacture. Those producers who had followed the hazardous course of contracting for wool on the sheep's backs — a practice perhaps larger in the West than ever before — were confident that the results would reward the risk and justify their foresight.

A TENDENCY TOWARD FINER WOOLS.

Reports from widely separated localities manifest a notable movement toward the production of the finer wools. Thus, in Arizona one correspondent writes: "The tendency here is to improve our grade of flocks. We are getting better wool or more of it from our merino flocks." There are similar reports from Montana and other far Western regions. One correspondent in Ohio remarks that the inclination in his neighborhood is toward the finer wools, "perhaps too fine." There are signs of improvement, too, in the general handling and condition of the fiber. A wool house of very wide experience in the Western country declares that in the States of the Mississippi and east of the range territory "a marked improvement is noted in staple, condition, and grade, and the farmer has shown a tendency to breed up his sheep, and is fast getting away from the long, coarse, and consequently cheaper variety of wools. Improvement is also noted in the increasing freedom of these wools from seeds, burrs, and sisal twine."

CHICAGO WOOL WAREHOUSE.

An undertaking long discussed by Western wool growers has become an actual fact in the past year through the erection in the stockyard district of Chicago of a large storage warehouse, with a capacity for 25,000,000 pounds of wool. This is the outgrowth of discontent among some of the Western men over what they allege to be the arbitrary and exacting methods of Eastern wool buyers. In 1908 a much smaller warehouse was erected at Omaha through the efforts of the wool growers of Utah and Wyoming, but this house received only one or two million pounds

of wool. So small a quantity withdrawn from sale for storage could scarcely have had an important effect on the general improvement of prices witnessed at the time in the Australian as well as in the domestic market. But believing that the Omaha warehouse had reasonably succeeded, many active, powerful Western wool men, under the lead of the officers of the National Wool Growers' Association, organized a very much more ambitious movement on the coöperative plan to create a great storage warehouse at a central and accessible Western point, where wool could be gathered, held and sold either direct to manufacturers or by auction, after the fashion of the London sales.

After Denver, Omaha, St. Joseph, St. Paul, and Chicago had all been visited by a committee of the Association, the choice was fixed on a Chicago site, with good rail connections and room to expand, and there the great warehouse has been constructed by the National Wool Warehouse and Storage Company, organized under the laws of West Virginia, with a capital of \$400,000, of which the wool growers subscribed \$250,000, while Chicago merchants of the Chicago Association of Commerce raised \$150,000 more.

This new warehouse is 250 feet long and 150 feet wide, with five floors and fireproof construction. It stands at Forty-third and Robey Streets, Chicago, on a plot of ten acres, alongside the Chicago Junction Railway, the belt road of connection for all lines entering the city. Traffic and switching charges in and out of the warehouse are absorbed by the railroads delivering to or receiving cars from Chicago. There are track facilities on both sides of the building, making it possible to load and unload wool direct to and from the trains, and the Union Freight Station, receiving merchandise in less than cargo lots, is near by, so that packages of from 100 to 10,000 pounds of wool can be received without cartage or switching charges.

The plan of the company is to secure a total of 25,000,000 pounds of wool each year for three years, and the amount of wool pledged by each grower is to be determined by the stock for which he subscribes, it being agreed that he shall deliver not less than 5000 nor more than 6000 pounds for every share of stock subscribed for. The officials of the company state that, "The thought we have in mind is to handle, grade, and store wool at the smallest cost consistent with the highest efficiency and the

greatest safety." Arrangements have been made with banks of Chicago to advance money on the wool stored in the warehouse up to about two-thirds of its value at current rates. The officials of the company are J. E. Cosgriff, president; Arthur G. Leonard, vice-president; R. B. Thomson, secretary and treasurer. Mr. Cosgriff is one of the greatest wool growers of the West, and Mr. Leonard is a representative of the Chicago financial interests that are associated with the enterprise. The executive committee consists of J. A. Spoor, Chicago, chairman; Arthur G. Leonard, Chicago; F. W. Gooding, Shoshone, Idaho; T. W. Borger, Rock Springs, Wyo., and J. E. Cosgriff. Mr. Spoor is president of the Union Stock Yards Company and of the Chicago Junction Railway Company. Mr. Gooding is president of the National Wool Growers' Association. The Board of Directors consists of fifteen members, nine of whom are Western wool men and six Chicago business men. Henry Whitehead, formerly of Justice, Bateman & Company, wool dealers of Philadelphia, is the general manager of the warehouse.

It is too early yet to ascertain the exact effect of this interesting Western undertaking on the wool business of America. Those Western wool growers who have organized the company are capable and wealthy men, and are very much in earnest. They believe that the new warehouse will enable them to market their wool with a better understanding of actual values and will arm them with the resources to defeat the efforts of any possible combination of wool-buying interests. Belief that such a combination is sometimes attempted is quite general throughout the grazing States of the West. The Western people have long complained that they were separated by too great a distance from the wool manufacturing sections of the East, and that this distance and their remoteness laid the wool growers under a heavy disadvantage.

On the other hand, this Chicago warehouse is far from the Eastern manufacturers, few of whom have ever been in the habit of visiting Chicago. It will not be practicable for the mills to find in the new storehouse any such wide range in variety of wools as can be examined in the Boston market. The Eastern city has the advantage not only of abundant capital but of men of long experience and preëminent qualifications. The Chicago storage warehouse is an interesting and important new departure deserving of fair play and of every reasonable chance

to vindicate the wisdom of its founders. But it can scarcely be anticipated that it will have any revolutionary effect upon the established wool trade of America.

THE NEW BOSTON WAREHOUSE.

Early in July the wool trade of Boston was stirred by the announcement that one of the largest of the wool warehouses in the world would be constructed on a 125,000-foot plot of land in South Boston by Jeremiah Williams and others, trustees. This new warehouse of enormous capacity is situated on Summer street, near the large docks of the New York, New Haven & Hartford Railroad. It is 480 feet long and 275 feet deep, with an elevation of 125 feet and nine stories and a basement. The various sections of the building will be divided by fireproof walls, and each section will have its own passenger and freight elevators. The building will contain about 30 acres of floor space, and its cubic contents will be 14,000,000 cubic feet. Not a particle of wood will be used in the construction. The cost of the great building is estimated at \$3,500,000. Mr. Williams, the leader in the enterprise, is the head of the well-known Boston wool house of Jeremiah Williams & Co. His chief associates are President William M. Wood of the American Woolen Company, and J. Koshland & Co., the Boston wool merchants.

This is a very great and important undertaking. It marks an expansion in or perhaps a change of location of the wool trade of Boston. In this huge warehouse a great amount and variety of domestic and foreign wools will be available to purchasers. It signalizes anew the dominant position which Boston has long occupied in the wool trade of the United States.

THE TENDENCY TOWARDS WOOLEN FABRICS.

All signs indicate the most active demand for many years for wools particularly adapted for carding purposes. On this point the "Boston News Bureau" — November 20 — states the situation quite precisely when it says: "A feature which stands out rather conspicuously in the rising tide of industrialism in New England has been the revival in the 'woolen' industry during the last ten months, after several years of stagnation. While the present degree of activity among woolen mills still leaves much to be desired and compares unfavorably with conditions in

the worsted industry, there is no question that woolen mills are enjoying a greater measure of prosperity than at any previous time for at least five years. It is estimated that they are to-day operating at about 80 to 90 per cent of capacity, as against less than 50 per cent at the beginning of the year and only about 25 per cent during the depression.

"In the past two decades there has been a steady swing of the textile industry from the manufacture of woolen to worsted goods. Fifteen or twenty years ago probably 90 per cent of the machinery in New England was operating on woolens, and only 10 per cent making worsteds. To-day not over 30 to 40 per cent is working on woolens, and 60 to 70 per cent on worsteds. This revolution has been primarily brought about by the dictates of fashion, which has rendered its verdict in favor of worsted goods.

"Another factor which has greatly facilitated this movement has been the introduction of French spinning into this country. By the use of this system the mills have been able to utilize the short wools formerly suitable only for woolen goods in the manufacture of worsteds. It is estimated that 100,000,000 to 125,000,000 pounds of wool, or 20 to 25 per cent of the total American consumption of 500,000,000 pounds are now spun on French spindles.

"While there has been this broad and persistent tendency towards worsteds, yet there have also been smaller cycles within these cycles, when the demand has been temporarily in favor of woolens. We are apparently in one of these cycles at present. Of course, it is a question whether this represents a real change of sentiment or is more or less the result of the high prices of worsteds and the inability of the worsted mills to keep up with the demand for their fabrics. If, however, the improving market for cheviots in England, France, and Germany is an index to the fashions which may be expected to prevail in this country, as it usually has been in the past, it is probable that the pendulum will still swing some distance in the present direction before it again turns against woolen goods.

"We understand that recently the American Woolen Company purchased two woolen mills in Maine to add to its capacity on woolen fabrics."

TABLE I. WOOL PRODUCT OF THE UNITED STATES. — 1909.

States and Territories.	Quality.	No. of Sheep of Shearing Age, April 1, 1909.	Average Weight of Fleeces, 1909.	Wool Washed and Unwashed, 1909.	Percent of Shrinkage, 1909.	Wool Scoured, 1909.	Average Value per Scoured Pound, Oct. 1.					Total Value, 1909.	States and Territories.
							1905.	1906.	1907.	1908.	1909.		
			Pounds.	Pounds.		Pounds.	Cents.	Cents.	Cents.	Cents.	Cents.		
Maine.....	Medium.....	210,000	6	1,260,000	40	756,000	58	58	56	43	55	\$415,800	Maine.
New Hampshire.....	25% fine, 75% medium.....	70,000	6.2	434,000	50	217,000	57	57	55	44	57	123,690	New Hampshire.
Vermont.....	20% " 80% ".....	180,000	6.5	1,170,000	51	573,300	57	56	55	45	57	326,781	Vermont.
Massachusetts.....	Medium.....	35,000	6	210,000	42	121,800	57	57	56	44	56	68,208	Massachusetts.
Rhode Island.....	".....	7,500	5.3	39,750	42	23,055	57	57	56	44	56	12,911	Rhode Island.
Connecticut.....	".....	38,000	5	190,000	42	116,200	58	58	57	44	58	61,712	Connecticut.
New York.....	33% fine, 67% medium.....	825,000	6	4,950,000	49	2,542,500	60	59	58	47	56	1,474,650	New York.
New Jersey.....	Medium.....	44,000	5.5	242,000	47	128,260	60	59	58	45	55	70,543	New Jersey.
Pennsylvania.....	30% fine, 70% medium.....	1,000,000	6	6,000,000	48	3,120,000	63	62	61	48	59	1,840,800	Pennsylvania.
Delaware.....	Medium.....	6,900	5.75	39,675	45	21,821	56	55	55	45	55	12,002	Delaware.
Maryland.....	".....	125,000	5	625,000	45	343,750	57	55	55	44	55	189,063	Maryland.
West Virginia.....	75% fine, 25% medium.....	587,945	5.75	3,380,884	49	1,724,149	60	60	59	47	64	1,105,455	West Virginia.
Kentucky.....	Medium.....	750,000	5	3,750,000	39	2,250,000	59	58	58	45	58	1,326,750	Kentucky.
Ohio.....	60% fine, 40% medium.....	2,540,000	6.6	16,560,000	52	7,920,000	63	62	61	48	64	5,068,800	Ohio.
Michigan.....	25% " 75% ".....	1,500,000	6.75	10,125,000	51	4,961,250	61	60	59	46	58	2,877,525	Michigan.
Indiana.....	15% " 85% ".....	850,000	6.5	5,525,000	45	3,088,750	58	57	56	44	57	1,732,088	Indiana.
Illinois.....	25% " 75% ".....	700,000	6.75	4,725,000	51	2,315,250	56	55	54	42	56	1,296,540	Illinois.
Wisconsin.....	20% " 80% ".....	850,000	6.50	5,525,000	48	2,875,000	65	60	58	40	56	1,608,880	Wisconsin.
Minnesota.....	20% " 80% ".....	375,000	6.75	2,531,250	49	1,290,938	54	53	52	42	55	710,016	Minnesota.
Iowa.....	30% " 70% ".....	700,000	6.75	4,725,000	49	2,409,750	58	56	55	44	58	1,397,655	Iowa.
Missouri.....	15% " 85% ".....	873,850	6.5	5,680,090	48	2,865,647	60	56	55	44	56	1,654,042	Missouri.
		12,228,205	6.35	77,627,449	48.8	39,713,920						\$23,372,111	
Virginia.....	Medium.....	365,000	4.5	1,642,500	38	1,018,350	60	59	57	45	57	\$580,460	Virginia.
North Carolina.....	".....	204,000	4	816,000	42	473,280	56	55	54	40	56	266,037	North Carolina.
South Carolina.....	".....	50,000	4	200,000	42	116,000	56	55	54	39	56	64,960	South Carolina.
Georgia.....	".....	225,000	3.25	731,250	40	438,750	56	55	54	40	57	250,088	Georgia.
Florida.....	".....	110,000	3.25	357,500	40	214,500	56	55	54	40	56	120,120	Florida.
Alabama.....	".....	170,000	3.25	552,500	40	331,500	56	54	53	40	56	185,640	Alabama.
Mississippi.....	".....	150,000	4	600,000	42	348,000	55	54	53	40	56	194,880	Mississippi.
Louisiana.....	".....	125,000	3.7	467,500	55	273,500	56	55	53	40	57	189,509	Louisiana.
Arkansas.....	".....	220,000	4.25	935,000	41	551,650	55	54	52	38	55	303,408	Arkansas.
Tennessee.....	".....	291,000	4.30	1,251,300	40	750,780	58	58	57	45	57	427,945	Tennessee.
		1,940,000	3.96	7,659,550	40	4,575,440						\$2,582,137	
Kansas.....	Fine, fine med., and medium.....	1,190,000	7	8,330,000	64	4,214,400	67	65	65	50	66	\$278,124	Kansas.
Nebraska.....	".....	275,000	6.5	1,787,500	62	977,250	67	65	65	50	66	446,985	Nebraska.
South Dakota.....	".....	650,000	6.5	4,225,000	60	1,690,000	69	67	67	50	65	1,098,500	South Dakota.
North Dakota.....	".....	275,000	6.5	1,787,500	60	715,000	69	67	67	50	65	464,750	North Dakota.
Montana.....	".....	5,000,000	7	35,000,000	63	13,300,000	69	68	67	51	68	9,044,000	Montana.
Wyoming.....	".....	1,800,000	8	14,400,000	67	12,288,000	70	69	67	49	67	8,232,060	Wyoming.
Idaho.....	".....	2,800,000	7.5	21,000,000	67	17,400,000	69	68	67	51	67	4,788,500	Idaho.
Washington.....	".....	450,000	9.5	4,275,000	69	1,325,250	69	66	65	50	67	887,918	Washington.
Oregon.....	".....	1,850,000	8.5	15,725,000	68	4,874,750	69	68	68	52	70	3,412,325	Oregon.
California.....	33% fall, 67% spring.....	1,900,000	7	13,300,000	66	4,522,000	69	67	64	41	64	2,894,080	California.
Nevada.....	Fine, fine med., and medium.....	875,000	7.4	6,462,500	69	2,034,375	70	68	68	51	70	1,424,063	Nevada.
Utah.....	".....	2,200,000	6.75	14,850,000	66	5,049,000	67	67	65	46	65	3,281,850	Utah.
Colorado.....	".....	1,450,000	6.8	9,860,000	65	3,451,000	65	65	63	49	68	2,346,580	Colorado.
Arizona.....	".....	825,000	5.3	4,372,500	65	1,819,125	67	65	65	47	67	1,218,815	Arizona.
New Mexico.....	".....	3,200,000	6	19,200,000	65	6,720,000	65	63	60	45	65	4,368,000	New Mexico.
Texas.....	25% fall, 75% spring.....	1,325,000	6.75	8,943,750	67	3,040,875	70	67	66	53	64	1,946,160	Texas.
Oklahoma and Indian Territory.....	Fine, fine med., and medium.....	80,000	6.5	520,000	68	166,400	63	63	61	44	67	111,488	Oklahoma.
		28,125,000	7.18	201,823,750	65.9	69,234,425						\$46,240,498	
Totals.....		42,293,205	6.8	287,110,749	60.9	113,523,785	65.4	63.8	62.3	46.6	63.6	\$72,194,746	Totals.
Fulled Wool.....		41,000,000		287,000,000	50	287,000,000	57.4	54.3		50.2	58	16,635,000	Fulled Wool.
Total Product, 1909.....				328,110,749		142,223,785						\$88,829,746	Total Product, 1909

WOOL PRODUCT.

The total clip, excluding pulled wool, according to our estimate, is 287,110,749 pounds, an increase of 16,972,428 pounds as compared with last year. The scoured equivalent is 113,523,785 pounds, an increase of 6,893,137 pounds over last year, due partly to the lighter shrinkage of the wools in the present season.

The detailed statement of number of sheep, weight of fleece, with percentage of shrinkage of wool product and the equivalent in scoured wool, the average value per pound and the total value of the clip will be found in Table I., opposite.

In this table for convenience the States have been arranged, as in years past, in three groups, the first embracing all those north of the Ohio River and east of the western boundary of Missouri, including Kentucky, Maryland, and West Virginia, in which the fleece wools, fine and medium, are of comparatively light weight and shrinkage; the second comprising the southern States, except Texas, where only medium wools are produced, and the third comprising all the States west of the Missouri line, including Texas, New Mexico, and Arizona, where the great bulk of the fine, fine medium, and medium wools of heavy weight and shrinkage are produced.

In the first group are found 12,228,205 sheep, or 29 per cent of the total flock, producing 77,627,449 pounds of wool in the grease, or 27 per cent of the whole product of 287,110,749 pounds, exclusive of pulled wool. In the third section 28,125,000 sheep, or 66 per cent of the total flock, produced 201,823,750 pounds of wool, or 70 per cent of the total clip.

In scoured condition the wools of the first group, owing to their lighter shrinkage, yielded 39,713,920 pounds, or 35 per cent of the total, while the third group produced 69,234,425 pounds, or 61 per cent of the whole.

When the value is considered it is found that the wools of the first group brought \$25,372,111, or 31 per cent of the total value of \$49,741,616, and the third group's clip was valued at \$46,240,498, or 64 per cent of the total. The production of the second group is so inconsiderable a proportion of the total wool crop as to be almost a negligible quantity, although the number of sheep and the quantity of wool grown are about the same as for a number of years past.

PULLED WOOL.

The amount of pulled wool has been most carefully considered and we see no reason to change our estimate from 41,000,000 pounds, the quantity estimated as the production of last year. The shrinkage is continued at 30 per cent, making the yield equal to 28,700,000 pounds of clean wool.

The grades and values of pulled wool (scoured basis) are estimated as follows by Mr. William A. Blanchard, of Boston :

Fine and fine medium	15,300,000 lbs.
Medium and coarse.....	13,400,000 lbs.
	<hr/>
	28,700,000 lbs.

These quantities may again be subdivided into grades, with average values at Boston, thus :

	Pounds.	Value per pound, cents.	Total value.
Extra and fine A	4,400,000	70	\$3,080,000
A super	4,900,000	60	2,940,000
B super	8,000,000	53	4,240,000
C and low super.....	1,400,000	32	448,000
Fine combing.....	5,800,000	65	3,770,000
Combing	3,900,000	53	2,067,000
Shearlings	300,000	30	90,000
	<hr/>		
	28,700,000	Average 58	\$16,635,000

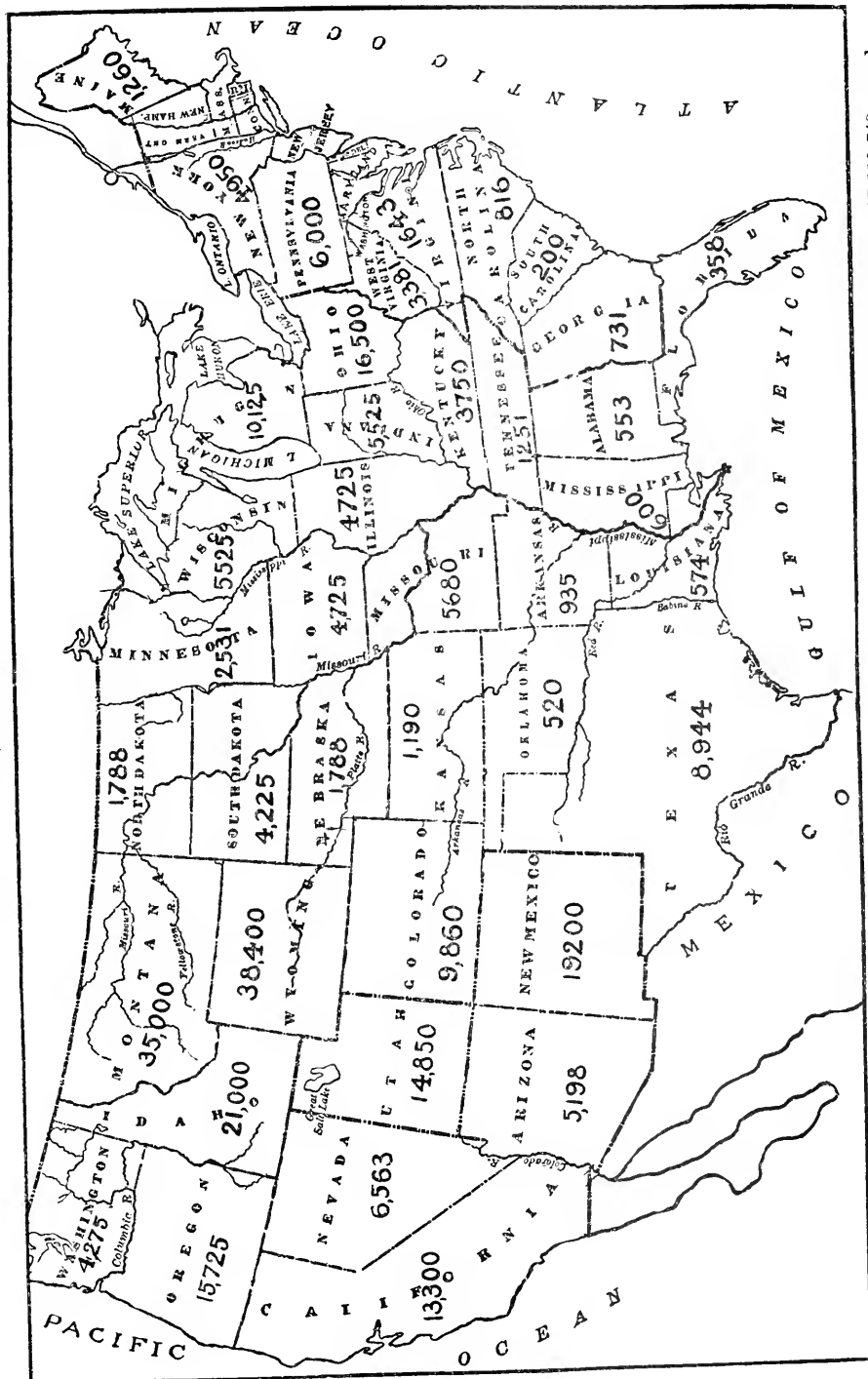
The total production of the country for 1909 including pulled wool is, therefore, 328,110,749 pounds, or 6,863,137 pounds in excess of the estimated product of last year and is equal to 142,233,785 pounds of scoured wool.

WOOL PRODUCTION MAP.

On the opposite page is presented an outline map of the United States in which is shown the estimated wool clip of each State and territory for this year, which will be valuable for reference, as it shows at a glance the relative importance of each in this branch of industry.

WOOL PRODUCTION IN THE UNITED STATES IN 1909.

(000 omitted.)



Total clip in 1909... 287,110,749 pounds.
Pulled wool..... 41,000,000 "

Connecticut..... 190
New Jersey..... 242
Delaware..... 40
Maryland..... 625

New Hampshire..... 434
Vermont..... 1,170
Massachusetts..... 210
Rhode Island..... 40

TABLE II. — SCoured WOOL, FLEECE AND PULLED.

	Product.	Decrease.	Increase.
1888..... pounds	136,591,955	3,964,730	.....
1889..... "	134,795,350	1,796,605	.....
1890..... "	139,628,220	.....	4,832,870
1891..... "	139,326,703	301,517	.....
1892..... "	145,300,318	.....	5,973,615
1893..... "	151,103,776	.....	5,803,458
1894..... "	140,292,268	10,811,508	.....
1895..... "	125,718,690	14,573,578	.....
1896..... "	115,284,579	10,434,111	.....
1897..... "	111,365,987	3,918,592	.....
1898..... "	111,661,581	.....	295,594
1899..... "	113,958,468	.....	2,296,887
1900..... "	118,223,120	.....	4,264,652
1901..... "	126,814,690	.....	8,591,570
1902..... "	137,912,085	.....	11,097,395
1903..... "	124,366,405	13,545,680	.....
1904..... "	123,935,147	431,258	.....
1905..... "	126,527,121	.....	2,591,974
1906..... "	129,410,942	.....	2,883,821
1907..... "	130,359,118	.....	948,176
1908..... "	135,360,648	.....	5,001,530
1909..... "	142,223,785	.....	6,863,137

VALUE OF THE WOOL CLIP.

Our estimates are based on the value of the scoured pound at the seaboard, which for the last eight years has been as follows :

TABLE III. — SCoured WOOL.

	Fleece and pulled.	Total value.	Value per pound.	
			Fleece.	Pulled.
	Pounds.		Cents.	Cents.
1901	126,814,690	\$51,164,709	41.1	36.7
1902	137,912,085	60,679,127	45.2	39.7
1903	124,366,405	58,775,373	48.8	43.4
1904	123,935,147	64,948,959	54.1	46.7
1905	126,527,121	80,415,514	65.4	57.4
1906	129,410,942	79,721,383	63.8	54.3
1907	130,359,118	78,263,165	62.3	50.2
1908	135,360,648	61,707,516	46.6	41.6
1909	142,223,785	88,829,746	63.6	58

SCOURED WOOL.

The total value of the wool clip, scoured, for the year, estimated on the price in Boston, October 1, was \$88,829,746 for 142,223,785 pounds of wool. Last year 135,360,648 pounds were valued at \$61,707,516. The average value per pound of the fleece wool was 63.6 cents and 58 cents for the scoured pound of pulled wool.

WEIGHT AND SHRINKAGE.

The average weight of fleece is 6.70 pounds, an increase from 6.60 pounds in 1907. The weight for 1906 was 6.66 pounds; for 1905, 6.56 pounds; for 1904, 6.50 pounds; and for 1903, 6.25 pounds. The average shrinkage is 60.5 per cent. For 1907 the shrinkage was 60.6 per cent; for 1906, 61.8 per cent; for 1905, 61.3 per cent; for 1904, 61.6; and for 1903, 60.8 per cent.

TABLE IV.—FLEECE AND PULLED WOOL, WASHED AND IN THE GREASE.

	Product.	Decrease.	Increase.
1888..... pounds	301,876,121	293,829	
1889..... "	295,779,479	6,096,642	
1890..... "	309,474,856		13,699,377
1891..... "	307,401,507	2,073,349	
1892..... "	333,018,405		25,606,898
1893..... "	348,538,138		15,519,733
1894..... "	325,210,712	23,327,426	
1895..... "	294,296,726	30,913,986	
1896..... "	272,474,708	21,822,018	
1897..... "	259,153,251	13,321,457	
1898..... "	266,720,684		7,567,433
1899..... "	272,191,330		5,470,646
1900..... "	288,636,621		16,445,291
1901..... "	302,502,382		13,865,707
1902..... "	316,341,032		13,838,650
1903..... "	287,450,000	28,891,032	
1904..... "	291,783,032		4,333,032
1905..... "	295,488,438		3,705,406
1906..... "	298,715,130		3,426,692
1907..... "	298,294,750		948,176
1908..... "	311,138,321		12,833,571
1909..... "	328,110,749		16,972,428

AVAILABLE SUPPLIES, 1904-1909.

Table V. contains an estimate of the available wool supplies for the year 1909-10, that is, pending the next clip, excluding imports after October 1 and supplies in manufacturers' hands,

with the figures for corresponding years given for comparison. It is based on the Boston Commercial Bulletin's record of supplies in dealers' hands on January 1 last, the Department of Commerce and Labor's figures of imports, and the figures of the preceding tables.

TABLE V. — AVAILABLE SUPPLIES.

	1904.	1905.	1906.	1907.	1908.	1909.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
Wool clip, fleece and pulled . .	291,783,032	295,488,438	298,915,130	298,294,750	311,138,321	328,110,749
Domestic wool on hand January 1	112,081,000	41,873,811	72,461,443	94,402,046	84,556,560	50,556,100
Foreign wool on hand January 1	15,699,000	11,562,000	24,414,000	15,169,000	15,188,500	14,015,000
In bond January 1	33,735,970	41,181,360	56,788,129	40,928,803	52,955,081	37,853,497
Foreign wool imported, January 1 to July 1	102,167,315	164,730,358	119,597,637	126,600,884	64,275,513	167,280,943
Total . . .	555,466,317	554,835,967	572,176,339	575,395,486	528,113,975	597,816,289
Imports of wool, July 1 to Oct. 1,	36,403,499	44,338,908	35,331,909	33,750,260	33,205,899	62,814,168
Total to Oct. 1	591,869,816	599,224,875	607,508,248	609,145,746	561,319,874	660,630,457

The gross imports for the three months ending September 30, 1909, are as follows:

1909.	Class I.	Class II.	Class III.	Total.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
July	5,641,511	3,188,605	4,928,770	13,758,886
August	9,328,148	4,953,052	13,673,967	27,955,167
September	3,407,898	3,276,707	14,415,510	21,100,115
Total	18,377,557	11,418,364	33,018,247	62,814,168

For the corresponding three months of the previous year the imports were :

Class I.	Class II.	Class III.	Total.
<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
15,573,020	6,682,122	10,950,757	33,205,899

THE ANNUAL WOOL SUPPLY.

Table VI. shows the quantity of wool retained for consumption in the United States from 1890 to date. As the wool clip of the year reaches the market during the governmental fiscal year, the clip of any year is added to the imports of the fiscal year beginning July 1, so that the total supply for a series of years is accurately indicated by this combination, however it may differ from the available supplies in any one year of the series.

TABLE VI.—WOOL PRODUCED, IMPORTED, EXPORTED, AND RETAINED FOR CONSUMPTION.

Fiscal Year.	Total Imports.	Exports, Domestic and Foreign.	NET IMPORTS.		Production	Retained for Consumption.	FINE WOOL.	
			Classes I. and II.	Class III.			Retained for Consumption.	Per cent of Foreign.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	
1890-91..	129,303,648	2,930,045	36,783,501	89,882,024	309,474,856	435,848,459	345,966,435	10.63
1891-92..	148,670,852	3,210,019	53,350,167	92,312,922	307,101,507	452,562,140	360,249,218	14.81
1892-93..	172,433,838	4,310,495	46,189,082	122,026,119	333,018,405	501,141,748	379,115,629	12.18
1893-94..	55,152,585	6,497,654	7,167,380	42,007,798	348,538,138	397,193,069	355,185,271	2.02
1894-95..	206,081,890	6,622,190	98,388,318	105,402,507	325,210,712	524,722,428	419,319,921	23.46
1895-96..	230,911,473	12,972,217	126,966,355	97,918,882	294,296,726	512,235,982	414,317,100	30.64
1896-97..	350,852,026	8,700,598	235,282,735	112,141,457	272,474,708	614,626,136	502,485,908	46.84
1897-98..	132,797,302	2,625,971	47,480,033	82,810,437	259,153,251	389,322,582	306,512,145	15.50
1898-99..	76,736,209	14,095,335	3,349,870	60,947,423	266,720,684	329,361,558	265,387,135	1.25
1899-1900	155,918,455	7,912,557	44,680,424	105,525,783	272,191,330	420,197,228	314,671,445	14.20
1900-01..	103,583,505	3,790,067	32,865,844	67,127,159	288,636,621	388,430,059	321,502,465	10.10
1901-02..	166,576,966	3,227,941	69,315,286	93,842,199	302,502,382	463,851,407	371,694,390	18.65
1902-03..	177,137,796	3,511,914	54,747,533	119,397,268	316,341,032	489,666,914	370,569,646	14.63
1903-04..	173,742,834	3,182,803	55,999,545	114,880,236	287,450,000	588,010,031	345,129,795	16.22
1904-05..	249,135,746	2,561,648	134,407,321	112,292,726	291,783,032	538,357,130	426,066,402	31.54
1905-06..	201,688,668	5,642,859	98,336,137	97,902,153	296,488,438	491,534,247	393,632,094	24.99
1906-07..	203,847,545	3,446,748	91,726,655	108,888,982	298,715,130	499,115,927	390,226,945	23.50
1907-08..	125,980,524	5,626,463	57,846,442	62,690,077	298,294,750	418,648,811	346,141,192	16.71
1908-09..	266,499,304	3,523,975	164,867,536	99,046,169	311,138,321	574,023,650	476,005,877	34.6
1909-10..	.....	.....	.....	.....	328,110,749	.....	.....	.....

The proportion of fine wools increased from 16.71 per cent in 1908 to 34.6 in the year under review, a larger percentage than in any year since 1896-7, which was the year of largest imports of Class I and II wools. The imports for that year amounted to 235,282,735 pounds and the percentage retained to 46.84 out of a total supply of 502,485,908 pounds of fine wools. The net imports of Classes I and II are greater by 107,021,094 pounds than last year and exceed by 15,294,493 pounds the net imports of these wools for that year and the one preceding combined. The imports of Class III are 36,356,092 pounds in excess of the same imports of last year. The exports and reexports of all wools, as a rule always small, are 2,102,488 pounds less than last year.

The following table, computed from Table VI., shows the total supplies for five-year periods, beginning in 1888, the ten years 1893-1902, the five-year period, 1903-1907, and the years 1908 and 1909:

TABLE VII.—WOOL SUPPLY, 1888-1909 — DOMESTIC PRODUCTION, AND IMPORTS LESS EXPORTS.

Fiscal years ending June 30.	All wools.	Fine wools.
	<i>Pounds.</i>	<i>Pounds.</i>
1888-1892. Five years, total.....	2,122,407,842	1,686,818,840
Annual average.....	424,481,568	337,363,768
1893-1897. Five years, total.....	2,549,920,592	2,070,423,829
Annual average.....	509,984,118	414,084,766
1898-1902. Five years, total.....	1,988,771,621	1,582,374,537
Annual average.....	397,755,324	316,474,907
1893-1902. Ten years, total.....	4,538,692,213	3,652,798,366
Annual average.....	453,869,221	365,279,837
1903-1907. Five years, total.....	2,476,984,249	1,925,618,882
Annual average, five years.....	495,396,850	385,123,776
1908.....	418,648,811	346,141,192
1909.....	574,023,651	476,005,857

SLAUGHTER AND MOVEMENT OF SHEEP.

The total number of sheep killed yearly at four western centers, Chicago, Kansas City, St. Louis, and Omaha, and total yearly receipts of sheep at eastern seaboard markets, Boston, New York, Philadelphia and Baltimore, are reported in the "Cincinnati Price Current's Statistical Annual," as follows:

TABLE VIII. — SEABOARD SHEEP RECEIPTS AND SLAUGHTER AT PRINCIPAL WESTERN POINTS.

	Western killings.	Seaboard receipts.	Total.
1887.....	1,173,000	3,432,000	4,605,000
1888.....	1,275,000	3,453,000	4,728,000
1889.....	1,476,000	3,305,000	4,781,000
1890.....	1,622,000	3,274,000	4,896,000
1891.....	1,879,000	3,375,000	5,254,000
1892.....	2,112,000	3,394,000	5,506,000
1893.....	3,278,000	3,330,000	6,608,000
1894.....	3,565,000	4,079,000	7,644,000
1895.....	3,995,000	4,265,000	8,260,000
1896.....	4,299,000	3,611,000	7,910,000
1897.....	4,654,000	3,141,000	7,795,000
1898.....	4,647,000	2,988,000	7,635,000
1899.....	5,019,000	2,945,000	7,964,000
1900.....	4,798,000	3,093,000	7,891,000
1901.....	5,276,000	3,400,000	8,676,000
1902.....	5,832,000	3,443,000	9,275,000
1903.....	5,827,000	3,314,000	9,141,000
1904.....	5,465,000	3,128,000	8,593,000
1905.....	5,879,000	2,425,000	8,304,000
1906.....	6,117,000	2,606,000	8,723,000
1907.....	5,701,000	2,956,431	8,657,431
1908.....	5,824,000	3,364,349	9,188,349

The seaboard receipts were 387,918 larger and the western killings were 123,000 in excess of those of last year, the total of 5,824,000 being 26,200 more than the average for the five preceding years.

In the past twenty-one years the western killings at the four centers and the seaboard receipts have increased from 4,605,000 to 9,188,349, a total practically double that of 1887.

The total slaughter in the whole country, however, must be from 50 to 75 per cent greater than the total given in the table, in which no account is made of the killings in small establishments and local slaughter-houses or by farmers for their own use. It will be of interest to compare this table with the table on page 542 giving the slaughter of sheep in Australasia.

LONDON SALES.

The sixth of the London sales of Colonial wool for 1908 began November 24 and closed December 12. The net amount available was 180,000 bales, of which 169,000 were sold, leaving

11,000 to be carried over into this year. The distribution was as follows:

Home consumption.....	85,000 bales.
Continent.....	15,000 "
America.....	11,000 "

The following statement shows the supplies and deliveries of Colonial wool in the London market for the first five series of 1909, as compared with the same series of last year:

London Market.	1909.	1908.
Held over from December.....	11,000 bles.	14,000 bles.
Net Imports for the first 5 series....	770,000 "	860,000 "
	<hr/>	<hr/>
	781,000 bles.	874,000 bles.
Home Consumption.... 407,000 bles.	459,000 bles.	
Continental " 302,000 "	343,000 "	
America " 68,000 "	34,000 "	
	<hr/>	<hr/>
Total sold (first-hand wools)	777,000 bles.	836,000 bles.
	<hr/>	<hr/>
Held over.....	4,000 bles.	38,000 bles.

The net imports amounted to 770,000 bales, and as there were 11,000 bales held over from last year, the total available supply was 781,000 bales. The quantity available for each sale and the destination of the purchases are shown in the table which follows:

LONDON SALES—COLONIAL WOOL, FIRST FIVE SERIES, 1909.

	Available.	England.	Continent.	America.	Total Sales.	Held Over.
	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>
Jan. 1, 1909.....						11,000
Jan. 19-Feb. 6	201,000	92,000	88,000	12,000	192,000	9,000
March 9-26	196,000	96,000	69,000	18,000	183,000	13,000
May 4-21.....	182,000	88,000	61,000	23,000	172,000	10,000
July 6-20.....	152,000	75,000	52,000	9,000	136,000	16,000
Sept. 21-Oct. 1.....	98,000	56,000	32,000	6,000	94,000	4,000
Totals	781,000	407,000	302,000	68,000	777,000	4,000

The total sales were 777,000 bales distributed as follows: to England, 407,000 bales; the Continent, 302,000 bales; to America, 68,000 bales, and 4,000 bales were held over for the next series, which began November 23, the entries closing November 15. The data at hand was insufficient for an estimate of the quantity available for the series.

Of the fifth series, which began September 21, Helmuth Schwartze & Co. said:

The sales opened with a good attendance and an average rise for merino of about 10 per cent on July closing rates. The auctions continued with splendid competition from all sides and the initial rise was not only maintained but frequently exceeded, particularly in the case of average grease and the lower sorts of scoured.

Crossbreds also commenced with 10 per cent rise and must now be quoted 10-15 per cent higher as compared with the end of July; all fine lots were in active demand and increased in firmness, and fine and medium greasies suitable for America were mostly 15 per cent dearer. Slipes sold from 10-15 per cent higher.

The preceding tabular statements refer only to the London market. Adding the transit wools and the direct imports, the total deliveries to the trade are stated by Helmuth Schwartze & Co. to be as follows:

Distribution of Colonial Wool through England and direct.	Total Season. 1907.	Total Season. 1908.	Five Series. 1908.	Five Series. 1909.
	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>
Sold to England	857,000	909,000	829,000	847,000
“ “ Continent . . .	1,372,000	1,348,000	1,205,000	1,447,000
“ “ America	149,000	94,000	78,000	171,000
	<u>2,378,000</u>	<u>2,351,000</u>	<u>2,112,000</u>	<u>2,465,000</u>

The deliveries show an increase of 353,000 bales of which only 18,000 bales fall to the share of the home trade. The Continental consumption shows an increase of 242,000 bales and the American an increase of 93,000 bales.

THE SEASON IN AUSTRALASIA.

In their "Annual Review" issued in March, 1909, Messrs. Goldsborough, Mort & Co. describe the main features of season to date as follows :

When the Australian sales opened, prospects were the reverse of encouraging; trade conditions and the outlook generally warranting no forecast of any improvement in values. But the impossible happened, and the election of Taft to the American Presidential Chair benefited the wool industry perhaps more than any other part of the commercial machine.

Just as last season's financial crisis in America swung the pendulum back with far-reaching effects throughout the whole of the commercial world, so did the restoration of confidence in that country have a direct bearing on the return swing, which made for the common good.

It is generally accepted that the year just passed, as far as the spinner and topmaker were concerned, was as bad if not worse than 1900.

Huge losses had to be faced on the year's transactions, added to which was the financing of the present clip, and the fact that in spite of these adverse conditions wool values have made such a recovery speaks volumes for the stability of the industry.

The main feature of the sales was the strong hand played by the American operators, who were not nearly so conservative as we have seen in the past, and bought eagerly of all grades of fleece wool, ranging from coarse crossbreds to the finest counts.

And it is safe to say that many marks quite foreign to the users have found their way to the warehouses of the United States.

The season as a whole has been one of pleasurable surprise to the grower, and when the poorness of the clip itself is taken into consideration there is room for congratulation.

TABLE IX. — AUSTRALASIAN WOOL EXPORTS.

Compiled from Customs Returns.

	SEASONS OF				
	1908-9.	1907-8.	1906-7.	1905-6.	1904-5.
	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>
New South Wales	915,617	856,407	956,630	816,000	660,000
Victoria	454,942	300,390	301,000	267,500	238,000
Queensland	184,207	234,709	204,000	176,000	99,000
South Australia	165,513	143,274	126,000	119,000	157,000
Western Australia	56,785	52,500	42,000	42,500	35,000
Tasmania	19,283	33,610	33,500	33,500	30,000
New Zealand	491,757	436,941	427,058	415,000	377,000
Total	2,288,104	2,057,831	2,090,188	1,869,500	1,596,000

Messrs. Dalgety & Co., who last year for the first time reported the exports of wool from Australasia in pounds, continued the tables this year which are here reproduced :

EXPORTS OF WOOL FROM AUSTRALIA.

Seasons of 1907-8 and 1908-9.

	1907-8.	1908-9.
	<i>Pounds.</i>	<i>Pounds.</i>
New South Wales	267,545,312	296,659,908
Victoria	144,959,313	147,401,208
Queensland	48,888,320	59,683,068
South Australia	52,445,440	53,626,212
West Australia	18,420,435	18,398,340
Tasmania	5,999,250	6,247,692
New Zealand... ..	148,559,940	174,573,735
	<hr/> 686,818,010	<hr/> 756,590,163

An examination of these tables shows that there has been a decrease of over three pounds per bale as compared with last year. Then the average was 333.7 pounds, whereas it is now reduced to 330.66 pounds. The number of bales exported increased 230,273, but because of the decreased average weight the total export was 69,772,153 pounds less than in the previous year. On this point Dalgety says :

This further decrease in the weight of the bales disclosed is of the utmost importance, for it is a decrease upon a decrease, and it is safe to say that the falling off in the average amount of wool now encased in a bale of Australasian wool has amounted to quite 10 pounds during less than the same number of years, which accounts for a tremendous amount of the increase in production, as shown in the number of bales.

The following factors have tended towards the decrease in the weight of the bales referred to, viz. :

1. Inland freights are now almost universally calculated at per ton and not at per bale, which offers no inducement to growers to put the maximum weight into the bales.

2. An increase in the percentage of farmers' clips following upon closer settlement.

3. A knowledge that wool does not open up so attractive looking if pressed too tightly.

Moreover, with light-conditioned crossbred wool it is very difficult to make the bales up to 3 cwt., even if one specially wanted to.

AUSTRALIAN EXPORTS AND SALES.

The rapidly increasing importance of the Australian wool auctions is shown with remarkable clearness in the following table, from which it appears that the percentage of sales in the home market has increased from 53 per cent in 1898-9 to 72 per cent in 1908-9, while the actual quantity sold has nearly doubled in the eleven years:

AUSTRALIAN EXPORTS AND SALES.

Season.	Total Exports.	Sales.	Sales to Exports.
	<i>Bales.</i>	<i>Bales.</i>	
1898-9	1,664,517	890,185	53%
1899-0	1,594,464	915,877	57%
1900-1	1,609,713	808,912	50%
1901-2	1,664,885	1,035,520	62%
1902-3	1,440,722	861,174	60%
1903-4	1,366,942	837,497	61%
1904-5	1,595,734	1,092,651	68%
1905-6	1,869,455	1,354,865	72%
1906-7	2,090,188	1,537,798	74%
1907-8	2,057,831	1,351,121	66%
1908-9	2,288,104	1,657,906	72%

In the July number of their valuable Review Messrs. Dalgety & Co., under the head of "Demand and Distribution," remark:

The tide of demand turned in May, 1908, and since then has gathered way, at first slowly, but during the past six months very rapidly. Confidence, usually a plant of slow growth, which had been rudely shaken during the first half of last year, was gradually restored as the year advanced. Still, with labor not fully employed and foodstuffs dear, the outlook nine months ago was still unfavorable, and then when it was learned that both North and South America were to be blessed with bounteous crops of wheat and cotton, a more rapid return to comparatively prosperous times was unhappily checked by serious labor disputes, such as the engineers' strike, which for months had paralyzed the shipbuilding trade, as well as by the cotton strike in England, which, commencing on September 21, 1908, lasted seven weeks. These troubles over, employment improved, and, as money was cheap and ready for investment, the United States Presidential election only remained to be satisfactorily settled to give movement to the pendulum which had started to swing back, as it always must after having been forced too much one way. The election of President Taft spelled the expansion

of trade in the United States, to be followed in other countries; and it was indeed fortunate for the Australasian markets that the election was concluded before the regular selling season had gone far, for while the demand from the inception of the sales had been sound — especially on Continental account — it developed from soundness to excitement for “American” wools as soon as the election was over, and as Australia is the recognized center of the United States demand, growers of good wool again reaped the advantage of high prices, while the determined buying of the Americans left the representatives of other countries a comparatively narrow field for their operations.

It is believed that every manufacturer of wool throughout the world now realizes that

- (1) Australasia has attained the position of the principal wool producing country of the world;
- (2) The selection of wool submitted to public auction at the colonial centers is greater and better than in any other market, and that
- (3) To secure a satisfactory share of the Australasian clip he must be represented by some buyer on this side.

And commenting on the Australian wool business in their monthly review for October they say:

The history of wool selling in Australia is not the least interesting phase of the wool industry, and the development of the local auctions has played a most important part in bringing the trade to its present high position. The policy of local realization has become essential to the success of the Australian wool industry, and the marvellous development of the past two decades forms a story of almost unparalleled commercial achievement. The Australian wool selling broker is not a middleman in the ordinary acceptance of the term; he is the avenue through which the grower can reach the buyer in the most effective way, and the institution of local auctions is a great improvement upon the methods adopted by wool growers in England and America.

It was at the outset declared that the Australian sales were not required, as there was always a market in London for Australian wools; but while it is freely admitted that in the early days the London auctions served a very useful purpose in opening up a steady market for all the wool Australia could grow, the developments of recent years have made it abundantly clear that the natural and most economical method is to attract the world's wool users to the seat of production, where they have the wools earlier and the widest selection from which to pick out the types of wool best suited to their particular requirements. The closer

buyer and seller can be brought together, within reason, must necessarily be the best for all parties concerned.

Great as has been the success of the past, it is evident that the future will see a much more marked development. The closer settlement of Australia which, in the natural evolution of things, is coming about and which will probably develop more rapidly in the future, is playing into the hands of the Australian wool selling centers, and the day has already arrived when the shipment of wool for sale at the other end of the world is a speculation which has nothing to recommend it. The sheep farmer of the future, however, is a sure customer for the local sales, and as the numbers increase so must the quantity of wool sold locally increase. Even now the Australian markets deal with considerably more merino wool than is sold in London, and each year the figures become more marked.

It is a remarkable fact that the wool selling industry was only inaugurated sixty-six years ago, and then only in a very humble way, aiming at first to be a means of convenience to the smaller wool growers who desired to find a quicker method of securing the reward of their industry. They were availing themselves of the opportunity to sell to local buyers acting for city merchants, who found wool a convenient and profitable means of exchange, and the idea of concentrating this competition at auction sales was a praiseworthy one. The pioneer sellers had a hard battle to fight against the prejudice in favor of London, and at the outset there was naturally no comparison between the two selling policies. Still, all things must have a beginning, and the local sales proved of great benefit to the smaller holders, and it was the support of the small men at the outset which built up the selling industry. In the early days the market was largely dependent upon the merchants and upon speculative buyers, all of whom purchased with the idea of reselling in London. By degrees, however, the sales assumed more important proportions and began to attract buyers from the old world, and the vigorous policy of advertising the merits of Australian wools in every possible way at international exhibitions and by experimental shipments soon began to bear good fruit.

The system of selling locally has come more and more into favor, so much so that during last season upwards of 1,650,000 bales of a value of nearly nineteen millions sterling were sold at the colonial sales.

In their annual review they gave the value of the Australian wool production as shown by the value of the exports for a series of years beginning with 1881 as follows:

VALUE, AUSTRALIAN CLIP.

	Total Value Wool Exports.		Total Value Wool Exports.		Total Value Wool Exports.
	£		£		£
1881.....	16,136,082	1902.....	16,109,026	1906.....	29,411,424
1891.....	24,063,227	1903.....	18,042,873	1907.....	35,267,851
1896.....	20,433,855	1904.....	21,796,096	1908.....	28,244,993
1901.....	18,936,557	1905.....	25,203,549		

The value as shown for 1908 was very materially less than in 1907, the reduction being nearly 7 million pounds sterling, or in round numbers \$35,000,000. With a largely increased export and much higher prices the clip will net the Australian producer the largest amount in the history of the colony.

AUSTRALASIAN SHEEP.

The following table shows the number of sheep in Australasia for the past five years :

TABLE X.—NUMBER OF SHEEP AT CLOSE OF YEAR IN AUSTRALASIA, 1904-1908.

	1908.	1907.	1906.	1905.	1904.
New South Wales	43,329,384	44,555,879	44,132,421	39,494,207	34,531,145
Victoria	12,545,742	14,146,734	12,937,440	11,455,115	10,167,691
Queensland	18,348,851	16,738,050	14,886,438	12,525,231	10,843,470
South Australia	6,829,637	7,023,000	6,700,000	6,524,300	5,298,720
West Australia	4,098,500	3,694,852	3,200,000	3,140,360	2,600,633
Tasmania	1,744,800	1,729,394	1,583,560	1,556,460	1,597,653
Australia and Tasmania . .	86,896,914	87,887,909	83,439,859	74,705,673	65,038,712
New Zealand	22,449,053	20,983,772	20,108,471	19,130,875	18,280,805
Total	109,345,967	108,871,681	103,548,330	93,836,548	83,319,517

The flocks, notwithstanding the drawbacks caused by rabbits, the continued sub-division of large estates for closer settlement and more than 18,000,000 sheep slaughtered in Australasia during the year, hold their own and in fact show a small increase of 872,345 over the number reported one year ago.

The following table is very interesting as showing the total

slaughter of sheep, including those for export as well as for local consumption in each of the States of the Commonwealth and a statement of the population of each State :

SHEEP SLAUGHTERED IN AUSTRALASIA, 1908.

State.	Population.	Sheep Slaughtered, 1908.		
		For Local Consumption.	For Export.	Total.
New South Wales ...	1,605,009	3,986,030	1,159,725	5,145,755
Victoria	1,273,313	2,418,646	891,219	3,309,865
Queensland	558,247	456,608	252,647	709,255
South Australia	407,179	685,089	335,266	1,020,355
West Australia.....	270,823	537,168	2,895	540,063
Tasmania	185,824	369,104	.....	369,104
Commonwealth	4,300,385	8,452,645	2,641,752	11,094,397
New Zealand*	1,020,642	2,552,105	4,413,550	6,965,655
Australasia	5,321,027	11,004,750	7,055,302	18,060,052

*Including about 60,000 Maoris.

NOTE. — The total slaughterings during 1907 amounted to 17,059,780, and in 1906 to 15,637,087.

RIVER PLATE WOOLS.

The export business of River Plate wools is done between July 1 and April 30. Table XI. shows the arrivals of these wools at the various European ports for the past sixteen years, and is followed by a table showing the production for thirteen years, beginning with the season of 1895-6.

The export of River Plate wools in the 1907-8 season was greater by 11,700 metric tons than in the preceding year and greater than any previous year since 1902-3, which again exceeded any year in the series except the banner year 1897-8, when the exports equalled 248,500 metric tons.

TABLE XI. — IMPORTS OF RIVER PLATE WOOLS INTO EUROPE BETWEEN JULY 1 AND APRIL 30, SUCCEEDING, 1894 TO 1909 INCLUSIVE.¹*In thousands of bales.*

Year.	Dunkirk.	Havre.	Antwerp.	Bremen.	Hamburg.	Other Ports.	Total.	Of which from Montevideo.
1894	149	14	68	38	56	15	340	34
1895	133	7	78	36	46	30	330	45
1896	195	20	90	50	50	35	440	70
1897	161	11	76	33	58	12	351	35
1898	163	8	80	80	81	56	468	80
1899	221	14	71	45	81	29	461	54
1900	169	8	67	50	61	33	388	45
1901	94	16	52	29	44	35	270	55
1902	208	12	79	34	89	78	500	54
1903	172	9	62	35	65	67	410	51
1904	149	8	58	38	70	48	371	41
1905	132	6	70	35	70	68	381	45
1906	138	33	56	28	73	85	413	56
1907	132	19	55	19	93	71	389	46
1908	121	30	54	16	79	57	357	53
1909	217	5	84	23	111	100	540	110

¹ Wool circular of Wenz & Co., Reims, May, 1909.

The production for thirteen years (twelve months, October 1 to September 30) is as follows :

SEASON OF	ARGENTINA.			URUGUAY.			GRAND TOTALS.		
	Quan- tity.	Ave. weight, Bales.	Total weight.	Quan- tity.	Ave. weight, Bales.	Total weight.	Quan- tity.	Ave. weight, Bales.	Total weight.
	<i>Bales. a.</i>	<i>Kilo. b.</i>	<i>Metric Tons. a. c.</i>	<i>Bales. a.</i>	<i>Kilo. b.</i>	<i>Metric Tons. a. c.</i>	<i>Bales. a.</i>	<i>Kilo. b.</i>	<i>Metric Tons. a. c.</i>
1895-96.....	443,0	380	168,3	100,0	466	46,6	543,0	396	214,9
1896-97.....	486,0	412	200,3	88,0	466	41,0	574,0	420	241,3
1897-98.....	495,0	417	206,5	90,0	466	42,0	585,0	424	248,5
1898-99.....	487,0	425	207,2	81,0	469	38,0	568,0	431	245,2
1899-00.....	463,0	429	199,4	85,0	470	40,0	550,0	435	239,4
1900-01.....	405,0	445	181,0	86,5	471	40,8	491,5	451	221,8
1901-02.....	444,0	445	197,6	86,0	470	40,4	530,0	449	238,0
1902-03.....	481,0	412	198,4	104,0	471	49,0	585,0	422	247,4
1903-04.....	416,0	420	174,7	86,0	470	40,4	502,0	428	215,1
1904-05.....	411,0	417	171,2	82,5	472	38,9	493,5	425	210,1
1905-06.....	395,0	417	165,0	90,5	450	40,7	485,5	423	205,7
1906-07.....	389,0	417	162,2	99,0	454	44,7	488,0	424	206,9
1907-08.....	427,0	417	178,0	110,0	460	50,6	537,0	426	228,6

a. Two 00 omitted, thus 443,0 = 443,000.

b. Kilo equals 2.2046 pounds.

c. Metric ton equals 2,204.6 pounds.

IMPORTS INTO UNITED STATES OF ARGENTINE WOOLS FOR YEARS 1904-1909 INCLUSIVE, IN POUNDS.

Year.	Class I.	Class II.	Class III.	Total.
1904.....	18,018,443	100,548	10,049,069	28,168,060
1905.....	41,094,617	362,562	6,238,388	47,695,567
1906.....	36,352,480	.....	5,815,447	42,167,927
1907.....	19,247,683	94,866	3,852,659	23,195,208
1908.....	14,311,498	.....	1,909,787	16,221,285
1909.....	51,601,420	106,239	6,672,175	58,379,834

The importations of Argentine wools into the United States reached high water mark in 1905, totaling in that year 47,695,567 pounds. At that time a reversion set in and the importations fell off with remarkable rapidity yearly until in 1908 they reached only 16,221,285 pounds. This year the tide turned, the importations reaching the highest figures in recent years if not the highest known and amounting to 58,379,834 pounds divided by tariff classes thus: Class I, 51,601,420 pounds; Class II, 106,239, and Class III, 6,672,175 pounds.

URUGUAY WOOLS.

In the table on the preceding page in which the production of wools in Uruguay is given, the imports into Europe are considered to represent the actual production. It appears that in the last season in the table, October 1 to September 30, the production was the largest reported, exceeding by 1600 metric tons the highest previous season, which was that of 1902-3. This amount equals 111,552,760 pounds, and as stated elsewhere is nearly all pure merino blood. The following table shows the imports of these wools into the United States for the last six years, from which it appears that these imports in the last year exceeded 5 per cent of the total production of that country :

PUBLISHED BY THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS, BOSTON, MASS. U S A

PUBLISHED BY THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS, BOSTON, MASS. U S A

IMPORTS OF URUGUAYAN WOOLS INTO THE UNITED STATES FOR THE YEARS
1904-1909, INCLUSIVE, IN POUNDS.

Year.	Class I.	Class II.	Class III.	Total.
1904.....	112,208	.....	.....	112,208
1905.....	7,044,752	619,377	76,180	7,740,309
1906.....	5,083,195	.....	3,995	5,807,190
1907.....	5,856,437	.....	174	5,856,611
1908.....	1,604,221	.....	.....	1,604,221
1909.....	5,759,852	.....	108,380	5,868,232

THE COURSE OF PRICES.

The year has been noticeable for a marked increase in prices all along the line which will average from 3 to 5 cents a pound on washed wools and a greater advance in unwashed as compared with October prices of last year. The changes and the course of the market are shown in Table XII. and graphically indicated by our Chart of Fluctuations in Wool Prices, opposite this page, in which Ohio XX. and Port Phillip average grease represent Boston and London prices for practically similar grades of wool. The Boston prices of Kentucky three-eighths combing, unwashed; Ohio Delaine, washed; territory fine medium and Texas spring, twelve months, scoured, and also the course of prices for 60's Botany and 40's crossbred tops in Bradford are shown.

BOSTON RECEIPTS AND SHIPMENTS OF WOOL.

Table XIII. shows the annual receipts of domestic and foreign wool in Boston by months for the years 1900 to 1909, inclusive, and Table XIV. shows the shipments in pounds from Boston, by months, over the several railroads and by sea for the year. Only the direction and amounts of the shipments can be determined by this table; both are misleading to a certain extent in that they contain shipments of wool from Boston to be scoured, some of which is re-shipped to Boston and again sent away, thus causing duplication in the tables.

The receipts of domestic wool in Boston up to November 1 were 840,045 bales, containing 230,069,796 pounds of wool, a quantity almost equaling the total receipts of the same in the calendar year 1902, when the receipts were 231,410,150 pounds, the largest quantity of which we have any record. In 1908 the

domestic receipts were 612,784 bales, or 165,912,318 pounds. The year has been noticeable also for the extent of the receipts of foreign wool which in the ten months to November 1 amounted to 359,045 bales, or 137,709,219 pounds. If the imports for the two remaining months of the year continue in like ratio the imports of these wools into this port are likely to be the heaviest on record. In 1907 for the corresponding period the foreign receipts were 234,167 bales, or 96,212,100 pounds.

TABLE XII.—COMPARATIVE PRICES OF DOMESTIC WOOL IN BOSTON,
OCTOBER, 1895–1909.

	1895	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909
OHIO, PENNSYLVANIA, AND WEST VIRGINIA.															
<i>(Washed.)</i>															
XX and above . . .	19	19	29½	29½	31½	28½	26½	28½	34	35	36½	34	34	33	36
Medium	22	19½	30½	30	34½	28½	26	29	32	36	41½	40	40	34	40
Fine Delaine	20½	19½	30½	29½	34½	28½	28	31½	36	36	37½	36	38½	35	40
<i>(Unwashed.)</i>															
Fine	13½	13½	21	19½	22½	18½	19½	21½	23½	24	27	26	27	23	28
Medium	18½	15½	23	22½	25	23½	20	23	25	30	34½	33	33	26	36
Fine Delaine	15	14	21	21½	24½	21½	21	24	26	27	30	28	31	28	33
MICHIGAN, WISCONSIN, NEW YORK, ETC.															
<i>(Washed.)</i>															
Fine	16½	15½	24	22½	25½	22½	20½	24	27½	27½	31*	30*	30*	28*	31*
Medium	21	18½	29	27½	32	27½	24½	27	31	33	40	39	39	33	38
Fine Delaine	18½	18½	27	27½	31½	25½	24½	29	34	34	36	34	37	34	38
<i>(Unwashed.)</i>															
Fine	11½	11½	18½	17½	20	16½	17	19	21½	22	25	24	25½	22	26
Medium	18	15	22	22	22½	22½	19½	21½	24	29	33	32	32	25	34
Fine Delaine	14	13	19½	19½	22½	18½	19	22	23½	25	28	26	29	26	32
KENTUCKY AND INDIANA.															
<i>(Unwashed.)</i>															
Medium	18½	16	23	22½	22½	24½	21	22½	24½	30	35	33	31	25	35
MISSOURI, IOWA, AND ILLINOIS.															
<i>(Unwashed.)</i>															
Medium	17½	15	22	21½	22	22½	19½	21½	23½	29	34	32	30	24	32
TEXAS.															
<i>(Scoured Basis.)</i>															
Spring, fine, 12 months	32	31	46	44	49	50	44	52½	52½	62	75	70	71	55	75
Fall, fine	28	27	43	41½	44	41	37	45	42½	52	62	58	58	45	60
CALIFORNIA.															
<i>(Scoured Basis.)</i>															
Spring, Northern, free, 12 months . .	33½	31	46	44	49	49	43½	50	52	62	74	70	68	50	70
Fall, free	28	27	42½	41	44	41	38½	43	42½	53	62	60	58	40	53
TERRITORY WOOL, IN- CLUDING MONTANA, WYOMING, UTAH, IDAHO, OREGON, ETC.															
<i>(Scoured Basis.)</i>															
Staple fine	34	33	50	47½	55	51	46	55	55	65	76	71	73	60	78
“ medium	32	30	48	45	50	48	44	50	51	60	70	66	68	52	70
Clothing, fine	32	31	48	45	50	48	43	48	50	60	72	68	65	53	70
“ medium	30	27½	45	44	48	47½	40	45	46	55	68	63	60	45	65

* Nominal.

TABLE XIII. — RECEIPTS OF WOOL IN BOSTON IN BALES AND BAGS, 1903-1909.
(*Boston Chamber of Commerce, Daniel D. Morss, Secretary.*)

	1903.		1904.		1905.		1906.		1907.		1908.		1909.	
	Domestic.	Foreign.	Domestic.	Foreign.	Domestic.	Foreign.	Domestic.	Foreign.	Domestic.	Foreign.	Domestic.	Foreign.	Domestic.	Foreign.
January	39,500	7,558	44,952	11,038	24,258	40,380	32,869	14,584	38,242	19,893	25,633	12,076	40,983	21,670
February	34,133	23,640	35,576	17,089	12,748	39,613	22,641	33,263	30,997	40,123	23,244	19,654	37,530	53,418
March	31,038	25,660	38,741	18,535	22,617	35,857	29,760	31,352	28,276	38,971	24,658	8,579	34,274	51,137
April	32,047	22,709	33,114	23,900	25,572	30,896	27,536	33,424	29,192	24,271	22,791	15,671	43,946	55,005
May	33,062	21,085	48,311	18,527	60,208	28,542	35,870	16,439	37,714	28,059	33,065	14,141	78,955	40,871
June	33,398	10,388	96,222	20,877	91,091	45,976	64,274	11,250	64,613	21,936	69,265	13,073	114,834	39,455
July	128,661	9,875	153,710	14,147	113,777	14,317	113,506	5,113	125,048	7,038	148,740	8,617	228,732	13,303
August	111,957	20,364	124,239	27,350	113,901	17,619	113,219	13,842	154,637	18,558	156,747	17,662	142,493	33,974
September ..	56,764	13,150	38,377	15,778	34,126	10,886	60,088	8,086	55,385	15,472	62,565	7,957	70,492	26,975
October	46,971	12,713	34,459	20,713	25,658	9,487	35,352	12,854	42,468	9,636	46,106	15,570	47,832	23,237
November ...	38,080	8,970	35,402	22,005	26,060	12,004	27,796	14,100	40,172	6,030	53,918	10,669		
December ...	37,557	13,219	28,650	26,259	30,169	11,217	32,041	14,991	20,244	4,180	56,489	23,489		
Total	673,168	189,231	712,453	242,108	580,185	296,794	594,892	209,358	666,988	234,167	723,191	167,149	840,045	359,045
Weight in pounds ...	183,562,150	95,544,448	199,638,757	112,055,782	167,388,763	153,033,538	166,671,466	106,781,301	185,879,807	96,212,199	190,470,231	76,097,317	230,069,796	137,909,219

TABLE XIV. — SHIPMENTS OF WOOL FROM BOSTON BY MONTHS.
(*Boston Chamber of Commerce, Daniel D. Morss, Secretary.*)

	1908.											
	November.	December.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.
RAILROADS.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.
Boston & Albany R.R.	1,899,400	1,785,465	1,440,552	1,976,320	1,670,180	1,422,324	2,178,370	1,528,088	2,433,927	3,495,678	3,163,963	4,084,816
Boston & Albany Grand Junction	954,000	1,121,900	1,284,740	1,979,540	2,431,640	1,764,220	2,224,634	859,810	1,132,400	2,225,640	1,858,398	1,428,130
New York, New Haven & Hartford R.R.	5,411,040	5,974,032	5,016,790	5,608,260	6,585,310	6,280,110	6,565,860	4,600,850	5,321,850	5,291,125	4,114,770	5,493,880
Boston & Maine R.R.												
Eastern & Western Division	9,575,800	9,167,657	9,609,000	6,603,800	6,730,500	6,548,600	8,780,430	4,205,582	8,647,645	7,343,000	9,698,700	8,132,000
Southern Division	2,020,572	1,349,249	2,015,936	1,040,550	1,758,770	1,733,741	1,698,966	2,282,990	1,642,350	2,103,880	1,636,610	2,364,975
Fitchburg Div.	2,278,109	1,131,382	1,301,180	953,610	739,508	1,099,642	1,408,165	991,099	706,810	1,490,612	1,164,394	919,241
By sea	1,594,251	1,697,718	1,769,410	1,408,781	1,844,200	2,625,816	3,155,614	1,736,068	1,993,846	1,930,540	1,884,954	2,132,049
Total	23,733,172	22,226,523	22,437,608	19,660,861	21,760,198	21,474,453	26,012,039	16,204,487	21,878,828	23,880,475	23,521,789	24,555,091
Total after January 1.	176,296,982	198,523,505	22,437,608	42,098,469	63,858,667	85,333,120	111,345,159	127,549,646	149,428,474	173,308,949	196,830,738	221,385,829
Total after January 1, preceding year	225,007,845	236,246,461	73,835,116	24,016,820	33,950,233	45,937,729	60,531,876	76,774,729	96,611,275	114,736,135	133,711,827	152,563,810

TABLE XV. — WOOL IMPORTED INTO BOSTON, NEW YORK, AND PHILADELPHIA.
BY PORTS AND CLASSES.

GROSS IMPORTS YEAR ENDING JUNE 30.	BOSTON.			NEW YORK.			PHILADELPHIA.			TOTAL.
	Class 1.	Class 2.	Class 3.	Class 1.	Class 2.	Class 3.	Class 1.	Class 2.	Class 3.	
	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	
1896.....	78,398,112	9,539,881	30,325,673	28,939,693	543,352	52,764,614	8,301,279	2,070,608	15,055,110	225,938,322
1897.....	137,231,457	23,156,843	33,421,729	48,428,014	2,371,604	62,522,561	9,884,925	1,811,398	13,676,511	332,495,042
1898.....	36,205,712	2,672,113	22,823,137	5,865,916	458,732	50,071,999	2,306,013	17,505	9,661,885	130,083,012
1899.....	8,335,942	1,554,556	12,456,404	2,911,683	155,121	43,251,114	1,517,560	344,368	4,971,888	75,498,636
1900.....	30,192,843	5,343,455	29,333,226	3,561,996	1,275,008	61,922,600	3,281,782	3,266,758	14,486,204	152,663,872
1901.....	22,416,924	3,396,580	19,993,032	5,602,497	210,782	39,112,400	2,072,551	572,304	8,171,451	101,518,521
1902.....	51,479,822	2,820,800	21,778,976	7,308,817	920,301	52,417,988	5,468,922	266,807	19,780,677	162,243,110
1903.....	30,601,779	8,877,714	35,294,573	5,323,738	1,693,694	54,119,001	4,443,990	1,991,395	29,648,574	171,994,458
1904.....	37,821,884	8,980,496	37,984,908	3,070,482	1,389,643	45,582,335	4,509,591	362,262	27,699,439	170,401,040
1905.....	86,741,441	19,018,797	37,070,260	9,908,856	2,908,801	44,082,025	11,146,872	1,569,526	30,346,375	242,792,953
1906.....	64,801,760	8,336,094	22,470,950	8,555,810	1,657,970	49,278,261	10,227,347	1,772,888	26,788,974	193,840,034
1907.....	61,116,729	4,204,964	25,713,122	8,817,037	1,159,185	61,357,911	8,744,454	854,390	22,220,390	194,194,182
1908.....	34,002,148	7,247,799	13,023,020	3,397,855	522,524	36,778,123	6,220,038	459,275	16,647,519	118,298,301
1909.....	114,512,293	11,591,627	24,757,185	11,100,437	383,908	52,853,241	12,531,238	1,852,418	24,005,573	253,587,920

TABLE XVI. — WOOL IMPORTED INTO BOSTON, NEW YORK, AND PHILADELPHIA.
BY PRINCIPAL COUNTRIES OF PRODUCTION.

YEAR ENDING JUNE 30.	Russia.	Turkey.	United Kingdom.	Argentina.	Uruguay.	Chinese Empire.	British E. Indies.	British Oceania.	All other Countries.	Total.
	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.
1896.....	13,150,509	17,987,753	14,229,068	32,281,341	9,048,350	26,084,232	9,897,531	72,995,090	30,264,448	225,938,322
1897.....	19,706,449	20,239,717	27,759,419	64,964,556	15,004,257	21,461,478	10,989,980	109,912,851	42,451,335	332,495,042
1898.....	16,999,224	9,282,762	12,434,332	16,734,279	1,309,974	20,369,294	6,445,063	31,877,252	14,630,832	130,083,012
1899.....	13,373,350	5,697,377	9,156,624	7,957,657	149,573	14,276,124	6,949,491	7,249,740	10,688,700	75,498,636
1900.....	18,869,252	9,577,147	20,393,063	20,064,279	1,072,307	30,998,289	9,397,020	23,121,394	19,171,121	152,663,872
1901.....	13,720,814	8,355,941	16,919,793	14,358,218	783,075	9,181,105	4,146,698	22,570,030	11,482,847	101,518,521
1902.....	16,322,231	12,215,316	21,737,509	45,287,370	533,634	18,843,396	6,813,401	26,559,531	13,930,722	162,243,110
1903.....	19,455,392	15,440,933	31,778,842	23,265,309	541,384	26,032,976	11,850,446	25,238,498	18,390,678	171,994,458
1904.....	23,403,797	17,742,473	26,807,042	28,168,060	112,208	24,912,491	10,088,556	25,792,098	13,374,315	170,401,040
1905.....	23,790,451	23,454,937	25,213,450	47,695,567	7,740,309	30,023,157	12,202,135	56,212,733	16,460,214	242,792,953
1906.....	21,180,755	16,032,199	21,615,963	42,167,927	5,807,190	30,233,762	6,011,319	39,548,551	11,242,388	193,840,054
1907.....	21,231,378	15,710,735	14,863,620	23,195,208	5,856,611	39,762,115	8,697,581	52,538,582	12,338,352	194,194,182
1908.....	12,913,964	10,686,993	15,747,766	16,221,285	1,604,221	21,717,431	4,936,421	27,032,576	7,438,644	118,298,301
1909.....	7,966,392	10,050,199	31,125,711	58,379,834	5,868,232	35,634,909	12,952,758	79,420,778	12,189,107	253,587,920

NOTE. — These figures represent about 98.5 per cent of the total quantity of wool imported into all ports of the United States.

TABLE XVII. — IMPORTS OF WOOL MANUFACTURES, 1903-1909.

	1903.		1904.		1905.		1906.		1907.		1908.		1909.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
GROSS IMPORTS YEARS ENDING JUNE 30.														
Carpets (sq. yds.)	1,080,207	\$3,758,516	844,932	\$2,797,308	818,850	\$2,877,993	1,182,005	\$4,043,629	1,068,010	\$4,435,067	686,784	\$2,705,066	1,042,378	\$4,032,512
Clothing, etc., except shawls and knit goods	.....	1,929,494	.....	1,309,995	.....	1,372,145	.....	1,026,279	.....	1,671,915	.....	1,620,270	.....	1,416,934
Cloth, pounds	4,764,223	4,864,099	4,046,099	4,158,597	3,746,607	3,977,059	4,870,818	5,157,420	5,336,546	5,733,200	4,443,248	4,859,796	4,510,224	4,780,606
Dress goods (sq. yds.)	41,438,596	7,513,725	43,857,599	8,205,835	45,170,270	8,612,663	52,830,942	10,049,686	46,924,917	9,240,245	45,035,142	9,217,804	34,619,747	6,701,536
Knit fabrics	.....	670,774	.....	513,747	.....	224,383	.....	265,133	.....	210,856	.....	35,635	.....	57,113
Shoddy, flecks, etc., pounds	333,688	92,328	218,618	52,697	277,223	86,978	1,171,095	433,803	674,289	271,116	1,265,038	125,804	495,173	141,625
Shawls	.....	56,872	.....	54,084	.....	65,233	.....	45,544	*	*	*	*	*	*
Yarns, pounds	361,865	195,410	159,759	112,925	183,211	129,736	198,601	156,629	195,797	154,868	192,826	151,035	284,333	233,704
All other	.....	471,503	.....	526,000	.....	547,455	.....	702,609	.....	602,170	.....	582,568	.....	678,430
	.....	19,545,721	.....	17,733,788	.....	17,893,663	.....	23,080,683	.....	22,321,237	.....	19,387,978	.....	18,102,460

* Included in "All other."

STATISTICS OF IMPORTS OF WOOL AND WOOLENS.

The Hon. O. P. Austin, chief of the Bureau of Statistics of the Department of Commerce and Labor, has kindly furnished us with numerous tables showing various important facts with respect to imports of wool and wool manufactures for the fiscal year ending June 30, 1909, which appear in Tables XV. to XVIII., inclusive, and the table beginning on page 628 showing the imports of wool and manufactures of wool entered for consumption for the fiscal years ending June 30, 1908 and 1909.

COUNTRIES OF PRODUCTION AND SHIPMENT.

Table XVIII., page 553, shows the countries of production and immediate shipment of wools imported into the United States during the fiscal year ending June 30, 1909.

Of the total amount of Class I wools imported, 114,512,293 pounds, compared with 43,620,041 pounds last year, 79,416,776 came from Australasia, an increase of 52,384,200 pounds; 50,601,420 pounds came from Argentina, an increase of 36,289,922 pounds, and 5,759,852 pounds came from Uruguay, an increase of 4,155,631 pounds.

The supplies of Class III wools were drawn chiefly from the following countries; the two preceding years are given for comparison.

	1909.	1908.	1907.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
Chinese Empire	35,626,304	21,716,986	39,762,115
Russia (Europe and Asia)...	7,964,480	12,910,119	21,231,378
United Kingdom.....	17,868,776	8,862,075	9,996,779
Turkey (Europe and Asia) ..	9,970,886	9,644,020	15,516,492
British East Indies	12,949,805	4,852,100	8,696,918
Argentina.....	6,672,175	1,909,787	3,852,659
Germany	2,454,277	.....	.....
All other	8,109,296	7,553,575	10,241,082
	101,615,999	66,448,662	109,297,423

TABLE XVIII. — WOOL IMPORTED INTO BOSTON, NEW YORK, AND PHILADELPHIA, FISCAL YEAR, ENDING JUNE 30, 1909, BY COUNTRIES OF PRODUCTION, IMMEDIATE SHIPMENT, AND CLASSES.

COUNTRIES OF PRODUCTION.	Countries of immediate shipment.	CLASSIFICATION.			TOTAL.
		Class 1.	Class 2.	Class 3.	
		Pounds.	Pounds.	Pounds.	Pounds.
Austria-Hungary .	Austria-Hungary . .	804,132			949,185
	England	61,375			
	France	83,678			
Belgium	Belgium	590			590
Denmark	Denmark			69,228	69,228
France	Austria-Hungary . .	29,129			281,558
	France	252		252,177	
Germany	Austria-Hungary . .			3,798	2,485,262
	Germany	326	30,659	2,450,479	
Greece	Greece			20,106	20,106
	Denmark			762,851	
Greenland, Iceland, etc.	England			482,750	1,733,485
	Germany			127,499	
	Greenland, Iceland, etc.			390,385	
Italy	France			26,970	248,612
	Italy	285		221,357	
Netherlands	Germany			17,431	261,007
	Netherlands		126,836	116,740	
Portugal	England			155,749	570,018
	Portugal			414,269	
Russia in Europe . .	England			477,754	5,470,965
	France	1,912		24,275	
	Germany			22,468	
	Russia in Europe . .			4,944,556	
Servia	Austria-Hungary . .			23,222	689,931
	England			20,897	
	Germany			104,120	
	Servia			541,692	
Spain	Belgium			115,430	685,670
	England	28		145,065	
	France	60,668		240,563	
	Germany	15,842			
Switzerland	Spain			108,074	21,667
	Switzerland		14,222	7,445	
Turkey in Europe . .	England			38,024	1,086,810
	France			120,914	
	Sweden			2,407	
	Turkey in Europe . .		19,728	905,737	
England	Canada	38,135			11,378,103
	England	73,875	10,964,130	70,210	
	Scotland		231,753		
Scotland	England		155,729	3,228,462	18,640,685
	Scotland		686,877	14,569,617	
Ireland	England		166,718	487	1,106,923
	Scotland		1,289		
Canada	Ireland		938,429		170,735
	Canada	525	157,912	12,298	
Panama	Panama			1,200	1,200
Mexico	Canada	526			61,065
	Mexico	54,871		5,668	
West Indies—Dutch	France			137	14,393
	West Indies—Dutch			14,246	
	Argentina	41,439,577	106,239	6,672,175	
Argentina	Belgium	3,419,531			58,379,834
	Canada	49,596			
	England	5,683,381			
	France	189,640			
	Germany	512,568			
Brazil	Uruguay	307,127			93,448
	Brazil			93,448	
Chile	Chile	194,745		154,898	535,293
	England	185,650			

TABLE XVIII. — *Continued.*

COUNTRIES OF PRODUCTION.	Countries of immediate shipment.	CLASSIFICATION.			TOTAL.
		Class 1.	Class 2.	Class 3.	
		<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
Colombia	Colombia			1,654	1,654
Falkland Islands .	England	418,160			426,609
	Falkland Islands . .	8,449			
Peru	England		39,305		132,788
	Peru		93,483		
	Belgium	498,634		108,380	5,868,232
Uruguay	England	744,413			
	Germany	16,225			
	Uruguay	4,500,580			
Venezuela	Venezuela			24,655	24,655
	Chinese Empire . . .	6,357		32,272,982	35,634,909
	England		2,248	1,434,598	
Chinese Empire . .	Germany			109,197	
	Russia, Asiatic . . .			15,286	
	Russia in Europe . .			1,794,241	12,952,758
East Indies—British	East Indies—British .			4,471,951	
	England	2,953		8,448,608	
	Scotland			29,246	
	East Indies—Dutch .			215	190,095
East Indies—Dutch	England			188,297	
	France			1,583	
	England			142,866	
	France			246,699	1,861,816
Persia	Persia			1,355,513	
	Russia, Asiatic . . .			86,232	
	Russia in Europe . .			30,506	
	England			76,146	2,495,427
Russia—Asiatic . .	Russia, Asiatic . . .			2,267,449	
	Russia in Europe . .			151,832	
	Austria-Hungary . .			35,192	
	Denmark			97,903	8,963,389
	England	11,136	53,955	1,216,214	
Turkey in Asia . .	France			482,779	
	Germany			41,543	
	Turkey in Asia . . .			7,017,879	156,873
	Turkey in Europe . .			6,788	
Asia, all other . . .	England			57,643	
	Russia in Europe . .			99,230	
	Australia and Tas- mania	30,439,486			59,969,862
Australia and Tas- mania	Belgium	498,259			
	England	28,825,983		318	
	France	108,715			
	Germany	16,805			19,450,916
	New Zealand	80,296			
	Belgium	306,064			
New Zealand	England	14,805,787			
	New Zealand	4,335,381	3,684		499,716
British Africa— South	British Africa—South	94,341	28,327	413	
	England	194,096	6,430	176,109	
French Africa . . .	French Africa	2,072			2,072
Morocco	Morocco	126			126
Egypt	Egypt			260	260
Total		138,143,968	13,827,953	101,615,999	253,587,920
Imported into . . .	BOSTON	114,512,293	11,591,627	24,757,185	150,861,105
	NEW YORK	11,100,437	383,908	52,853,241	64,337,586
	PHILADELPHIA . . .	12,531,238	1,852,418	24,005,573	38,389,229

PORTS OF IMPORT.

Each of the principal ports shows largely increased imports in each class of wool. Boston being the great market for clothing and combing wools naturally benefits by the major part of this increase. The quantity of Class I wools received, 114,512,293 pounds, is much greater than at any time since 1897, when the imports amounted to 137,221,457 pounds. In Class II wools the increase was from 7,247,799 pounds in 1908 to 11,591,627 in 1909, and of Class III from 13,023,020 to 24,757,185 pounds. New York shows an increase of imports of Classes I and III wools and a small decrease in Class II imports. This is the principal market for wools of Class III, the imports of which increased from 36,778,123 pounds in 1908 to 52,853,241 pounds in 1909. Philadelphia made a gain in each class, doubling her imports of Class I, nearly quadrupling those of Class II and increasing those of Class III nearly 50 per cent. The total increase in importations of all classes into the country amounted to 133,289,619 pounds.

GROSS IMPORTS AND IMPORTS ENTERED FOR CONSUMPTION.

Table XVII., page 551, which gives the gross imports of manufactures of wool, shows a total foreign value of \$18,100,460, a decrease of \$1,287,518 from 1908 and a total \$3,560,052 below the average of the preceding six years.

The figures in the table, page 628, showing the imports of foreign wools and the manufactures of wool entered for consumption during the fiscal year, differ from those in the tables of gross imports and must not be confused with them. Only those quantities which go into consumption are included in the former, while in the tables of gross imports, XV., XVI., XVII., and XVIII., all imports, those entered in bond as well as those withdrawn for consumption upon importation, are embraced.

The table of imports for consumption shows an increase of 73,193,216 pounds of wool as compared with 1908, the total being 209,164,123 pounds. The increase of Classes I, II, and III wools was 39,343,914, 6,396,552, and 27,452,750 pounds, respectively.

The imports of all waste products, including noils and wastes, mungo, flecks, shoddy, and rags, amounted to 250,593 pounds, with a foreign value of \$46,867. The average value per pound was 37.8 cents and the duty was 49.44 per cent.

The total imports of wool manufactures, \$18,048,403 (foreign value), entered for consumption show a decrease of \$1,053,880. Cloths show a small increase of \$154,685. Dress goods, which comprise nearly one-half of our imports, have decreased from \$9,135,688 to \$7,019,284. Wearing apparel has decreased \$66,227. Carpets, the greater part of whose imports are high grade rugs and carpets woven whole for rooms, have increased from \$2,949,586 to \$3,748,556.

The duty paid value of the imports of wool of all classes is \$226,245,869 and of all manufactures of wool \$34,327,231.

The following table is taken from "Dalgety's Annual Wool Review," and is valuable as indicating the continually increasing shortage in the source of the world's wool supply. In 1895 there was, according to this table, one sheep for each of the world's wool-using population. At the "latest date" this supply had decreased to four-fifths of a sheep per capita, while the demands for wool for clothing are constantly on the increase. The logic of the situation is that unless the usual normal price of wool is to gradually increase, the use of other fibers in connection with or as substitutes for wool must become more and more common.

SHEEP, AND WOOL-USING POPULATION OF THE WORLD.

COUNTRY.	SHEEP.		POPULATION.	
	Latest Date.	1895.	Latest Date.	1895.
Europe (incl. Russia in Asia)	177,330,608	198,194,214	454,078,258	398,887,000
Australasia	109,345,967	110,516,331	5,261,027	3,810,000
S. America	91,187,013	102,847,134	33,035,597	28,867,000
N. America	59,252,721	57,158,652	114,883,626	88,895,000
Africa	27,764,492	31,890,052	1,943,000	1,710,225
Asia	18,003,727	21,957,752	1,140,000	617,000
Miscellaneous .....	.....	.....	50,000	50,000
Grand total	482,884,528	522,564,135	610,391,508	522,836,225

The following table compiled from the latest available official returns and estimates contains an approximate statement of the wool production of the world, from which it appears that the United States furnishes about one-eighth of the total estimated supply, Argentina a somewhat larger amount, while Australasia furnishes a quantity greater than both. The total quantity from all Europe, including the United Kingdom, which is decreasing year by year, exceeds by less than 50,000,000 pounds the products of Australasia. These four divisions together furnish four-sevenths of the whole amount. Uruguay and British South Africa supply 200,000,000 pounds of wools, mostly of merino blood. The remainder, including some from Europe, consists mostly of coarse, low-grade wools, suitable mainly for making carpets, common blankets and similar goods.

The estimated production of wool in the world in 1895 was 2,692,986,773 pounds, while the wool-using population at that time was estimated at 528,836,225 people. At the present time the wool-using population as shown in the preceding table is 610,391,508, an increase of 81,555,283. The world's wool production in the same period has increased, according to the estimates, 111,149,773 pounds. It will be seen that the increase of production has not kept pace with the increase of population, for the per capita production in 1895 was 4.88 pounds, while at the present time it has been reduced to 4.27 pounds. To maintain the same relation between wool-users and wool production as existed in 1895 would require a production of nearly 3,000,000,000 at the present time.

WOOL PRODUCTION OF THE WORLD.

From the Latest Official Returns and Estimates.

COUNTRY.	WOOL.
	<i>Pounds.</i>
North America:	
United States	328,110,749
British Provinces	11,210,000
Mexico	7,000,000
Central America and West Indies	1,000,000
Total North America.....	347,320,749
South America:	
Argentina	392,418,800
Brazil.....	1,130,000
Chile	20,754,000
Peru.....	9,940,000
Falkland Islands.....	4,324,000
Uruguay.....	111,552,760
All other South America reported	5,000,000
Total South America.....	545,119,560
Europe:	
United Kingdom.....	133,705,074
Austria Hungary.....	41,600,000
France.....	78,000,000
Germany	25,600,000
Spain.....	52,000,000
Portugal.....	10,000,000
Greece.....	14,000,000
Italy.....	21,500,000
Russia (Europe).....	320,000,000
Turkey and Balkan States	90,500,000
All other Europe.....	18,000,000
Total Europe.....	804,905,074
Asia:	
British India.....	50,000,000
China.....	42,253,000
Russia (Asiatic)	60,000,000
Turkey (Asiatic)	45,000,000
Persia	12,146,000
All other Asia reported.....	1,000,000
Total Asia.....	210,399,000
Africa:	
Algeria.....	33,184,000
British South Africa.....	89,783,000
Tunis.....	3,735,000
All other Africa reported.....	13,000,000
Total Africa.....	139,702,000
Oceania:	
Australasia	756,590,163
All other Oceania reported.....	100,000
Total Oceania.....	756,690,163
Total world.....	2,804,136,546

THE ONE PRESENT MENACE TO PROTECTION.

PRESIDENT TAFT has the foreign and domestic foes of the protective policy in full cry against him because of the declaration in his Winona speech that he believed that the new Aldrich-Payne tariff should and would stand unamended for a long time to come. But in this declaration the President is sustained so overwhelmingly by the great business interests of America, and by all but a small though loud minority of his fellow-countrymen, that he can afford to smile with characteristic good nature at the frantic accusation that he is nothing but a "stand-patter in disguise." The truth is that Mr. Taft has set forth the only course that can insure the requisite business stability and prosperity for the four years to come, and that can give any chance for large, substantial success to his own administration.

He is not satisfied with all of the features of the tariff; probably not one public man could be found in all America to approve as perfect every one of the thousands of separate and particular duties of the new law. But he does commend the measure on the whole as "the best tariff bill that the Republican party has ever passed," and thereby he takes his stand unhesitatingly with the vast majority of the American people who look upon tariff revision as a thing accomplished, not for a year or two only, but for years to come.

NO REOPENING OF THE QUESTION.

If there is to be an effort in the present session of Congress to reopen the agitation and revive the business timidity and depression that always accompany an overhauling of the protective law, it is manifest that these disturbers of the national peace and prosperity will have to reckon at the outset with the President of the United States and with all the prestige and power of the national administration. President

Taft is bent upon achieving a record for fruitful and beneficent service during his term as Chief Executive. In his Western speeches and now in his message to Congress he has blocked out many great and far-reaching policies of legislation, the attainment of which will demand not only the loyal good-will but the undistracted attention and incessant industry of the two houses of Congress. All hope of fulfilling this ambitious programme or even of making a respectable beginning of it would have to be abandoned if the tariff question or any phase of it were to be reopened, and Congress in regular session assembled were to be exhorted to do all over again what it found the five months of a special session devoted to nothing else none too long for undertaking.

There cannot be the slightest doubt that the President will have his way, and that throughout the years of his administration the new, progressive, and creative measures which he is urging as peculiarly his own will be able to command the best thought and effort of the national law-makers. Academic discussion of the tariff question will not be abandoned; it never is abandoned; it is the one perpetual theme and problem of American national politics. But it will be academic discussion, and that only, for the responsible leaders of the majority party in Congress have no more idea of taking up the tariff at this session or the next to legislate upon it than they have of going back to legislate upon the resumption of specie payments. Congress and the country are looking forward and not back.

THE SOLID SOUTH DIVIDED.

It will be all the easier to concentrate Congressional activities upon other questions than the tariff because the Southern States that dominate the Democratic minority now almost as completely as at any time since the Civil War are themselves hopelessly divided over the tariff issue, and are no longer standing solidly for the ancient dogma of free trade, or its equivalent — tariff for revenue only. Most of the Senators and Representatives of the Southern States voted against the

Aldrich-Payne law — after they had seen that there was embodied in it good, substantial protection for the distinctive interests of their States and neighborhoods. But it was perfectly well understood in Washington that nine out of ten of the Democratic speeches denunciatory of the measure were buncombe of the most threadbare kind, and that there was a great deal of quiet, inward satisfaction on the Democratic side that, though even all the Democratic votes were thrown against it, the new tariff law was certain of enactment.

A widespread sentiment in the awakened and progressive South is undoubtedly reflected in the declaration of the Democratic "Observer" of Charlotte, N.C.:

If all the people who are glad that their tariff interests are in the hands of Congressmen from other sections, and not in the hands of Congressmen from the Democratic South, were to vote as they feel, the State would go Republican by a heavy majority.

Still another and equally authoritative Southern Democratic newspaper, the "Nashville American," expresses this view of the Southern attitude:

The old liners, who believe in a tariff for revenue only, are becoming fewer in number each year; hence the necessity of re-shaping platform declarations in future conventions. Congressmen are human. They will vote, most of them, for what their constituents want, and there's the end of it. Many Southern Senators and Representatives will vote for a substantial tariff on lumber, iron ore, and coal because their constituents are becoming more and more interested in the production of these materials, and, this being so, it is useless to criticise them for departing from what has heretofore been the accepted Democratic faith.

More and more the protection idea is coming to prevail among the Democratic party in the States that have long been the Democratic Gibralters. Protection strengthens steadily with the growth of Southern manufacturing and Southern prosperity. Nor is this after all so much a departure from as a return to the old, original Democratic

faith. Thomas Jefferson himself was a protectionist — “perhaps the most extravagant protectionist,” wrote the late Gen. Francis A. Walker, “that this country has ever known.” Madison aided Washington and Hamilton in the development of the early protection policy of the republic. Even Calhoun himself was originally a protectionist and remained one until the expansion of cotton growing under slavery influenced the South to seek a free trade exchange with the cheap manufactures of old England. Jackson was of stalwart protective convictions, and his threat to hang as high as Haman the South Carolina free traders who were plotting secession is the most vividly remembered episode in his entire career after the victory of New Orleans.

FREE TRADERS OF THE OLD RÉGIME.

Those modern Southern Democratic leaders whose faces are now turned toward the morning can with perfect justification invoke the greatest names in all Democratic history. Nevertheless, from the nullification movement of 1832 to the “tariff reform” Waterloo of President Cleveland in the Congressional elections of 1894, the Southern Democracy in the main was undeniably a free trade party. This characteristic party idea had been embedded in the Confederate Constitution, and when the former Confederate States resumed their places in the Union and regained their seats in the National Congress, the old issue of protection *versus* free trade instantly became revitalized in Washington.

Those Southern free trade leaders of the old régime were terribly wrong, but they were also terribly earnest, and thoroughly honest and consistent in their economic attitude. They believed in free trade in everything, and not merely in things that happened to be made in other States or other sections. And they declared their principles with entire frankness and admirable courage. The late Senator Vest of Missouri did not halt to measure the political cost when he vehemently proclaimed in the Cleveland tariff campaigns that the Democratic party “challenged the protected industries to a fight of extermination.” It counted nothing with him

that these protected interests had already taken deep root in his own State, and that their resentment and their vigorous efforts in self-defence would, a few years thence, overturn Missouri and give Senator Vest's seat to a Republican and a protectionist.

So with Roger Q. Mills and the late William L. Wilson. They were outspoken free-traders to the end of their political lives. They believed so stoutly in the principle that they were willing to go down with it into utter defeat and retirement. They were woefully mistaken, but they were foemen worthy of any man's steel. Since Bourke Cockran sang his swan song and departed, demanding the tearing down of the custom houses, there have been no conspicuous examples of the old outspoken free trade champions left on the Democratic side in Congress.

TIMES AND MEN HAVE CHANGED.

That "turret to foundation" speech of Mr. Cockran gave the Democratic leaders such a fright that they considered the calling of a formal conference to disown it. Times have changed and men have changed with them. One powerful influence which has helped to shrivel popular support of free trade is the growth and intensifying of the national spirit in America—the spirit that desires to see the republic self-reliant and complete, able to sustain itself so far as possible out of its own resources, and especially to meet out of its own resources the shock and dislocation of a foreign war. Twenty-five or fifty years ago there was fierce and often anything but scholarly academic advocacy of free trade in many of our colleges and universities. But it is a most significant fact that the headlong combativeness of men like the late Professor Perry or Professor Sumner has now given way in the universities to a calm, precise, judicial attitude of independent inquiry, under which the cause of free trade has steadily lost ground. It used to be said that the college free-trader of twenty-one was sure to be a protectionist at forty. But now even at twenty-one a vast majority of the college-bred men of this country are protectionists. Even at Yale the

class figures published some years ago showed a protectionist dominance over the free-traders of more than two to one.

The century-long debate in America between opposing schools of economic thought has gone overwhelmingly in favor of protection. To four out of five and perhaps to an even larger proportion of the American people, the wisdom and soundness of a protective policy per se are now no more to be questioned than the wisdom and soundness of the gold standard or of a republican form of government. This does not necessarily mean that four out of five or more of the American people approve all the rates and details of any given protective tariff law. It is only fair to recognize that some men who call themselves and actually are protectionists were not entirely satisfied with the Dingley law of 1897 and are not entirely satisfied with the Aldrich-Payne law of 1909. The question of protection *versus* free trade is not a question of schedules but of wide-apart principles. This is the proper test, and judged by this test the United States is now impreguably a protectionist country, upholding a protectionist government.

THE "INSURGENT" ATTACK.

The one earnest assault upon the protective system at the present time comes not from the South or from the Democratic party, or even from the foreign importing interests centered at New York and Chicago, but rather from a band of public men calling themselves Republicans. The seven Republican Western Senators and the twenty Republican Western Representatives in Congress who voted on final enactment against the Aldrich-Payne bill constitute now practically the militant force of the opposition to the protective tariff policy of the Republican party and the national administration. It is an eloquent token of the overwhelming strength of the protectionist principle, even in the Middle West, that these Senators and Representatives one and all insistently proclaim that they themselves are ardent believers in the protective idea, and that their quarrel is with certain details of tariff legislation and not at all with

the general principle itself. It is a far cry from the outspoken free tradeism of Vest, Mills, and Wilson to the quasi protectionism of Dolliver and LaFollette. The ancient dogma has become such a faint dilution of its former self that it would scarcely be recognized by its original sponsors. And yet it is indisputable that the anti-tariff attitude of the Democratic leaders of a dozen or twenty years ago was braver and more wholesome and more admirable in every way than the attitude of the men on whose activities the foreign manufacturing interests are now depending for help to break into the rich markets of the United States.

CONSISTENT AND INCONSISTENT.

The attitude of the old free trade champions was wrong, but it was at least consistent and intelligible. Mr. Vest and Mr. Mills and Mr. Wilson did not stultify themselves, while denouncing as "robbery" the protection that shielded other States and sections, by demanding a large share of that tariff plunder for their own States and people. If the general ad valorem rate on all our imports is 45 per cent and, therefore, "iniquitously" high, it is difficult to understand how Mr. LaFollette and other statesmen of his school can ever make the nation comprehend the logic that prompted them to vote for a 53 per cent duty on barley. There were no advances in the recent tariff revision so conspicuous and so difficult to justify as those upon certain agricultural products of the Middle West, of which we export largely and of the like of which we are importing scarcely at all. Yet the majority of the "insurgent" phalanx voted for those especial increases of duty which might be regarded as protecting the selfish, particular interests of their farmer constituents. The result is that in proportion to the protection actually needed, the agricultural schedules are unquestionably the very highest and most "oppressive" in the new tariff law.

The old Southern Democratic leaders denounced protection because they believed that it enriched unduly the great industrial commonwealths of New England, New York, and

Pennsylvania. But those old Democratic statesmen, to do them justice, did not invite the derision of the American people by denouncing protection to New England, New York, and Pennsylvania and on the same day and in the same breath demanding a relatively higher protection in the tariff for the agricultural or other interests of their own States. This particular spectacle of blind and narrow sectionalism and astonishing political inconsistency and hypocrisy was left to be exploited to the country by the "insurgent" Republicans in Congress in 1909. Take the wool and woolen schedule, for example. The "insurgent" Senators were particularly careful to confine their denunciation of the protection given in this schedule to the protection given to the "Eastern manufacturers." Their efforts to amend the bill and to cut down the protection which it bestowed were aimed entirely at the manufacturing industry and were directed not at all against the relatively high duties on the raw wool — the simple, bald reason being that these "insurgent" statesmen had a great many farmers and wool growers and very few manufacturers among their constituents.

APPEALING TO HATE AND GREED.

Now it was always possible to understand and often to admire the clear-cut and vigorous, if erroneous, convictions of the old-time free trade leaders of the Southern Democracy. They were certainly mistaken, but they were certainly honest. But it is impossible for honest men, whether protectionists or free-traders, to have any respect for public men whose idea of protection is to grab as much of it as they can for the agricultural interests of their own particular States, while denouncing and denying protection to the manufacturing interests of the older commonwealths. Mr. Dolliver and Mr. LaFollette, with all their eloquence and all their persistence, can never build up a national following on such a narrow basis of sectional jealousy and greed. There is inherently no hostility among the people of the Middle West toward their brethren of New England, New York, and Pennsylvania. There is no issue to divide them corresponding to

the old issue of slavery that so long antagonized the North and South. States like Wisconsin and Iowa owe much of their best growth and prosperity to immigrants and the sons of immigrants from New England, New York, and Pennsylvania. These men are not easily to be aroused, nor are they likely to allow their States to be aroused, to jealousy or hatred of the land of their fathers. Moreover, Wisconsin and even Iowa and Minnesota are beginning to develop manufacturing industries of their own, and it will be increasingly difficult for their able Senators to convince their people that manufacturers and malefactors are necessarily synonymous.

The "insurgent" movement against the American protective policy may temporarily give much comfort to the enemies of that policy in Europe and elsewhere, and may serve as an irritant and an obstacle to the complete success of the Taft administration. But this is all for which Mr. Dolliver and Mr. LaFollette and the men who stand with them can reasonably hope. For their propaganda depends essentially upon a gospel of sectional jealousy and hate, and they will find that in the long run they cannot proclaim such a gospel and make it appeal to those Americans who are working Western farms against other Americans who are operating Eastern factories. The "insurgent" undertaking, the one present menace to the maintenance of the protective system in the United States, is doomed to failure from the very outset because it rests on the fundamentally false belief that in the present development of our national life one section can be incited to hostility to another section of the common republic.

WINTHROP L. MARVIN.

AN INQUIRY INTO THE WOOL MANUFACTURE.

DESIRING to secure certain specific information about the wool manufacturing industry not stated in the excellent textile directories and not made promptly and freshly available in Federal census reports, the National Association of Wool Manufacturers has undertaken an inquiry of its own which it is believed will bring results of large value to the members of this Association, and indeed to the entire industry. The office of the Association in Boston is constantly in receipt of inquiries for information which cannot readily be supplied from the sources now available. The latest Federal census investigation is now nearly five years old, and there have been important changes since then in the extent and status of the wool manufacturing interest. The new Federal census to be undertaken next year will disclose these facts, but it will be several years more before the information is available. A complete, fresh inquiry into the most vital characteristics of the industry at the present time, with results available not more than one year hence, will supplement the more elaborate Federal investigation without in any way interfering with it, and will furnish the members of this Association and other manufacturers with a knowledge of the industry far more accurate and comprehensive in its relation to certain present conditions than anything now possessed.

With these purposes in view the following letter has been addressed to every one of the 1400 wool manufacturing establishments of the United States:

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS.

Office, 683 Atlantic Avenue,
Boston, Mass.

DEAR SIR:

The National Association of Wool Manufacturers is making certain inquiries regarding the wool manufacturing industry of the United States, and sends enclosed with this a memorandum to be filled out with the essential facts and figures as to your establishment.

All information that is secured will be held in the *strictest confidence*, and utilized only to enable this Association to serve the interests of the entire industry. It is believed that the knowledge of our industry thus acquired, carefully tabulated and made available in proper form to manufacturers, will prove to be of large permanent value, and will make this office still more than ever the center of information relating to the wool manufacture in the United States. It is our purpose to keep the data thus acquired fresh, exact, and reliable by constant revision.

Will you kindly examine the enclosed schedule on which is entered such information concerning your establishment as we have already secured, and, having done this, will you correct errors, if any, add the additional data desired, and return the schedule to this office at your earliest convenience in the stamped and addressed envelope enclosed.

Sincerely yours,

WINTHROP L. MARVIN,
Secretary.

The accompanying schedule to be filled out is as follows :

**NATIONAL ASSOCIATION OF WOOL MANUFACTURERS, 683 ATLANTIC
AVE., BOSTON, MASS.**

State.....*Town*.....*P. O.*.....

Name of mill.....

When first established.....*When established under present form*.....

Is ownership individual?.....*Partnership?*.....*Corporation?*.....

Under what name

Officers :

President.....*Address*.....

Treasurer.....“.....

Secretary.....“.....

Manager.....“.....

Agent.....“.....

Directors (If partnership, insert names of firm members)

Name

Address

.....

.....

Capital Stock, if incorporated, \$.....

Products.....

.....

.....

*Machinery :**Woolen Cards ; — Number of Sets.....Number of cylinders in each.....**Breadth.....Diameter.....Single.....Double.....**Felt Cards ; — Number of Sets.....Number of cylinders in each.....**Breadth.....Diameter.....Single.....Double.....**Shoddy Cards ; — Number of Sets.....Number of cylinders in each.....**Breadth.....Diameter.....Single.....Double.....**Cotton Cards —**Number.....Breadth.....Diameter.....Single.....Double.....**Worsted Cards —**Number.....Breadth.....Diameter.....Single.....Double.....**Combs — Number of Noble.....Square Motion.....**Number of Spinning Spindles :**Mule — Woolen.....Worsted.....Cotton.....**Frame — “.....“.....“.....**Twisting Spindles — Woolen.....Worsted.....Cotton.....**Looms — Broad, 50 in. reed space and over.....**“ — Narrow, under 50 in. reed space.....**“ — Carpet and Rug —**Arminster.....Wilton.....Body Brussels.....**Tapestry, velvet.....Tapestry.....Ingrain.....**Ingrain, broad.....Smyrna.....**Knitting Machines :**Power, Flat.....Hand, Flat.....Circular.....**Horse Power — Steam.....Water.....Electric.....**Electric Motors.....**Remarks :.....**.....*

The Association is deeply gratified at the manner in which its inquiry is being received by the wool manufacturers of America. Responses are coming in promptly and in large numbers, and in most instances the answers requested in the schedule have been filled out with the utmost care. It should be thoroughly understood that all this information is held in the office of the Association in the strictest confidence, and that only general or total results will be tabulated and made available for publication. No more undesired

publicity attaches to this inquiry than to the larger inquiry of the Census Bureau of the Federal government. But instead of making an investigation only once in five or ten years, the National Association of Wool Manufacturers will follow up the matter continuously, revising the data at frequent periods and keeping the information fresh and accurate.

This undertaking involves great labor and a considerable expenditure of money. It has never before been attempted on a comprehensive scale. But the Association profoundly believes that the results will justify the effort, and that a full and precise knowledge of the actual and essential conditions of the industry will be a powerful help in the task, which this Association has endeavored to perform for nearly fifty years, of guarding and advancing the large interests of the industry in every branch and in every State of the nation.

PENNSYLVANIA AND THE NEW TARIFF.

IN formal recognition of the zealous and powerful service of Senator Boies Penrose of Pennsylvania in the recent tariff revision on behalf especially of the knit goods industry and of the great interests of his State in general, the National Association of Hosiery and Underwear Manufacturers and the manufacturers of Pennsylvania gave a banquet to Senator Penrose on the evening of October 16, at the Bellevue-Stratford in Philadelphia.

This was an unusually elaborate affair, the assemblage including a great number of the most important business men of Philadelphia and its neighborhood and of representatives of the steel, pottery, and other industries. President Nathan T. Folwell, of the Manufacturers' Club and of the firm of Folwell Brothers & Company, presided, and the toastmaster was Mr. Joseph R. Grundy, of William H. Grundy & Company, a member of the Tariff Committee of the Manufacturers' Club and of the Tariff Committee of the National Association of Wool Manufacturers, who had borne a notable part in the presentation of the case for protection before the Senate and House in Washington.

Senator Penrose, after acknowledging the warmth of the demonstration in his honor, devoted his speech to a comprehensive review of the return of business prosperity to America, and a vigorous and incisive presentation of the issue between free trade and protection. He said that prosperity began on the morning following the Presidential election of 1908, just as it did on the day following the election of Mr. McKinley in 1896. The assurance of an intelligent readjustment of the tariff along protective lines and the establishment of the gold standard in 1896, and in 1908 a similar assurance as to the tariff and that the monetary question will be dealt with in the future along sound and conservative lines was sufficient to cause a revival in every branch of industry.

Owing to the obstructive tactics of free traders and low tariff Western Republicans, the passage of the Payne bill was so delayed that we have not yet felt the full effects, and statistics for the short interval which has elapsed since the enactment of the law are not entirely available, but the confidence which was created by the result of the Presidential election, and a little later on by the belief that a majority existed in Congress to enact a tariff bill on adequate protective lines were sufficient to bring about an immediate improvement, which has been steadily progressing. In November, 1907, the bank clearings of the United States amounted to nine and a half billion dollars for the one hundred and four cities for which statistics are available. In November, 1908, after the assurance given by the Presidential election, they amounted to twelve and three-quarters billion dollars, an increase of one-third over the corresponding month of the preceding year, when uncertainty and anxiety as to the political future prevailed. In December, when Congress met in regular session in preparation for the promised readjustment of the tariff, similar bank clearings jumped to fourteen and a quarter billions, an increase of more than 50 per cent over December of the preceding year and a material increase over those of the preceding November. As the session of Congress progressed and gave evidence of its conservative attitude and of an ability to readjust the tariff on protective lines, the condition continued to improve, so that in January, 1909, the bank clearings were practically fourteen billion dollars, against eleven and a quarter billions in January of the preceding year; in the month of February, 1909, they were eleven billions, against eight and two-thirds billions in the preceding February; in March, 1909, they were twelve and a half billions, against nine and three-quarters billions in the preceding March; and so on from month to month, the latest figures, those for August, 1909, showing thirteen and a third billions, against ten billions in August of the preceding year. •

Nor can it be argued that these figures of bank clearings chiefly represent conditions in the great financial center of

New York City, and are not necessarily evidence of prosperity among the manufacturing industries and those dependent upon them. In one hundred and three cities outside of New York for which statistics are available, the bank clearings during ten months after the Presidential election of 1908 increased seven billion dollars over those of the corresponding months of the preceding year, these cities representing the great industrial and agricultural interests, and not the center of finance, whose figures of bank clearings may be fairly claimed to be a measure of conditions among the industrial and agricultural people.

INCREASED IMPORTS OF RAW MATERIAL.

The condition of manufacturing industries may be determined with considerable accuracy by the statistics of importations of raw materials. Raw silk, India rubber, hemp, jute, cotton, wool, chemicals, pig tin, and many other articles required in our great manufacturing industries must come wholly or in part from abroad. The value of manufacturers' materials imported since November 1, 1908, has been 547 million dollars as against 371 millions in the corresponding months of the preceding year, an increase of practically 50 per cent. The importation of manufacturers' materials, since the assurance given by the Presidential election in November, 1908, has averaged over 60 million dollars per month, against a little more than 40 millions per month in the corresponding period preceding that election. The value of these materials drawn from other parts of the world and carried into the factories of this country on every day since the election of 1908 has been more than one-half a million dollars in excess of that in the corresponding days pending the uncertainty of the election, which should determine the continuation or termination of the protective system in the United States. When we consider that the raw material brought from abroad forms but about one-tenth of the raw material used by our factories, the remainder being drawn from our own mines, forests, and farms, we begin to realize

the importance of this improved condition and of its full significance to the five and one-half million wage-earners in the manufacturing industries of the country receiving more than two and one-half billion dollars per annum for their services.

But there are still other evidences of industrial conditions. The bituminous coal tonnage of seven eastern coal carrying roads for which statistics are available aggregate sixty-two million tons for the first eight months of 1909, against fifty-six million tons in the corresponding months of the preceding year. The coke production and shipments at Connellsville, a measure of the iron industry, have in recent months averaged twice as much per week as in the corresponding period of last year. The shipments of iron ore from Lake Superior and Lake Michigan ports in the four months of lake navigation are practically twice as great as in the corresponding months of last year, aggregating for May, June, July, and August twenty-two million gross tons, against twelve millions in the corresponding months of the preceding year.

Pig iron production during the first eight months of 1909 has aggregated 15½ million tons, against 9½ millions in the corresponding months of 1908, an increase of 60 per cent. The customs receipts of the first eight months of the present year were 221 million dollars, against 173 millions in the corresponding months of last year; and in the period from July 1, 1909, to September 20, 1909, were 76 million dollars, against 57 millions in the corresponding period of last year. The number of idle cars on September 1, 1909, was 119 thousand, against 332 thousand at the beginning of the year and 413 thousand in April of last year. The gross earnings of twenty-five principal railways of the country in August, 1909, were 11 per cent in excess of those in August, 1908, and within a few thousand dollars of the figures of August, 1907.

BUSINESS ACTIVITY WIDESPREAD.

The value of building permits issued in leading cities of the United States during the first eight months of the cur-

rent year was 600 million dollars, against 388 million dollars in the corresponding months of last year; and in the single month of August, 1909, 65 million dollars, against 46½ millions in August of last year. The business failures in the United States show liabilities in the first eight months of 1909 of 46 million dollars, against 74 millions in the corresponding months of the preceding year; and for the single month of August, 1909, the first month under the new tariff act, the liabilities were but four million dollars, against 15 millions in August, 1908, and 11 millions in August, 1907. Individual deposits in national banks of the principal cities of the United States on September 1, 1909, were 180 million dollars greater than on September 23, 1908, and this statement does not include the growth of deposits in the other great institutions of this character—the savings banks, the building associations, the loan and trust companies and private banks.

The great industry of Pennsylvania, iron and steel, which is the standard upon which the business of the Nation can be gauged, shows an extraordinary development. The movement in iron and steel has become tremendous, at some points to practically full capacity, and resulting in instances of premiums being paid for prompt delivery. The postmaster in New York City reports that money orders passing through the New York postoffice during the month of August showed an increase of six million dollars over the previous month. Internal revenue receipts showed a gain of \$1,190,000 in August over the same month last year. The production of pig iron is now at the maximum on record, and probably at the rate of 28,500,000 tons. Orders for steel rails for ten railroads only on the 2d of September amounted to 500,000 tons. Every sign points to a rapid return to the condition that existed before the tariff agitation began. What that agitation cost the country it is difficult to tell. Speaker Cannon has claimed the loss at 500 million dollars, which is a low estimate.

WORLD RECORD IN IRON AND STEEL.

In the iron and steel industry the United States has so far advanced that the output now equals that of all of the rest of the world.

This nation has in savings banks 3 billion 500 thousand dollars, and in national and State banks included altogether 13 billion dollars. No other nation can compare with us in this respect. The money in circulation in this country in August was \$34.75 per capita, being greater than in any other country excepting France, but in that country the people do not deposit their money in banks as they do in the United States.

The protective principle has only been maintained in the United States after heroic struggle and in contests often close. When it has on occasion encountered defeat or repulse it has only been to revive with increased vigor. It has become a national policy prompted at once by the intelligence, the experience, and even by the instinct of a great people. It has become the settled policy of most civilized nations, but to none is it more applicable than to us. With a continental domain inhabited by ninety million people, with the highest standard of living in the world, comparison with any other country is fallacious.

Our home market is eagerly sought by every other nation, it being more desirable than all other markets put together, but we have reserved it for our own people. With a government depending for its successful conduct upon the intelligence of the people, we have demanded as essential the assurance for the people of an adequate wage scale, with its consequent high standard of living and education. The direct and the indirect benefits of the system make all the people equal beneficiaries. Prosperity has always attended its adoption and fled on its abandonment.

REPUBLICAN PARTY'S TARIFF PLEDGE.

But in the lapse of years struggle and advantage are often forgotten. The Dingley bill remained in force for twelve

years, a long period in the business life of the country. It was noticeable at the recent extra session of Congress that many of the great men in the industrial and commercial affairs of the country who had borne the burden of the battle in former times, closing with the great struggle which ended with the victory in 1897, had died or become inactive, leaving to their young successors the task of representing the cause which they had so ably upheld. Many had forgotten the struggles of the past and the strenuous efforts put forth to redeem the country during the period of the Cleveland administration.

Many were even ignorant of the fact that their business had any relation to the tariff bill, and were disposed to attribute their prosperity to good management and enterprise alone. Ignorance, misrepresentation, and selfishness were not uncommon, and, as it happened before, the cause of protection was occasionally betrayed in the house of its friends.

Most tariff bills are grossly and maliciously misrepresented by those who have an interest in so doing. Thus after action there is apt to be reaction. McKinley went down to defeat only to return as President. Experience of the recent past should convince us all that henceforth this great national policy is to be maintained only by vigilance and unceasing activity.

The platform adopted at Chicago was, perhaps, the strongest protection plank ever adopted by a Republican National Convention. It promised adequate protection to labor and to capital, reduction where reduction could be made, and increased rates when necessary to any American industry. Yet Congress had hardly met when the so-called tariff revisionists, with insufficient knowledge of industrial conditions and often a willing ear for the pleas of the importer, began to clamor for reduction which would have brought ruin to many of the great industries of the country. The reckless ambition of the demagogue to usurp political power led to prolonged declamation and the betrayal of more than one constituency. The vote on more than one important schedule was close, and it was not until the final stages of the bill

were reached that there was any certainty that an adequate measure would be framed. Yet from out of the turmoil and confusion there was produced the best tariff bill on protection lines ever enacted by an American Congress. In many respects, indeed, it is a monumental piece of legislation. Reductions often radical, as in the metal schedule, have been made where they could be endured, and increases were made in other cases such as will give new impetus to and rehabilitate many languishing industries. New definitions of products and fabrics have been carefully framed, and departmental and judicial decisions, which in many cases nullified the intention of Congress in the Dingley bill, have been provided for. A change whenever possible and very generally from ad valorem rates, which are an incentive and an opportunity for fraud, to specific rates has been made. The increases in duties are largely on articles of luxury for the purpose of revenue. Important new provisions relative to appraisements and valuations have been added, and a conservative extension of the drawback provisions of the Dingley bill was made. The provision for the issue of Panama bonds to complete the Panama Canal give the Payne bill special financial importance.

MAXIMUM AND MINIMUM RATES.

The paragraph relative to maximum and minimum provisions would alone make the legislation remarkable. In its purpose and phraseology it is a statesmanlike production of high rank, and will prove a most useful and important aid. The clause was greatly needed. We complain not of high tariff in other nations, but of discrimination against us. France for many years has had a maximum and minimum tariff, and the United States is the only great nation of the world against which the maximum rates have been imposed. Germany has long had the same method of bringing about fair treatment from other countries, and has gone further in excluding our meats and other products of our farms under various pretexts and pretences. We are now armed for defence, and shall be able to get fair and equal treatment.

Nor must the provisions for the new court and for a better trial of government cases be overlooked. Heretofore the Government has generally lost its customs cases. Experience has shown that after the government attorneys have thoroughly learned the intricacies of the tariff bill they have left the government service to accept employment from the importers, where they can earn very much larger compensation. The government cases were never pushed from start to finish by the same lawyers, and varying legal decisions throughout the country added to the complication of the situation. Millions of dollars have been lost to the Government, industries have been seriously injured and the intention of Congress has been nullified by legal decisions.

The Payne bill provides for a customs court which shall be final in its jurisdiction and which shall take cognizance of all customs cases throughout the country, and the legal staff of the Government has been reorganized with a provision for an Assistant Attorney General, so that hereafter the cases will be looked after in a vigilant and effective way. This provision, new in our tariff bills, will prove of the greatest importance. . . .

TAFT FIRM FOR PROTECTION.

The country owes a debt of gratitude to President Taft for his stalwart stand in favor of the protective principle as embodied in the Payne bill set forth in his speech at Winona. Around his position the forces will rally. Publicity, education, organization, and constant and unrelenting effort are necessary until the American people become finally convinced throughout the length and breadth of the land as to the nature of the protective proposition. It is often as difficult to maintain a position as to gain it. In the long run no one can establish any political proposition or secure or maintain any legislation or be certain of even protection and consideration without effort and exertion, and much more is this statement true under Republican institutions. Let us remember past perils. Let us realize the contests

that are to come and let us resolve to be ever in a state of preparation.

Nations to-day survive by industrial supremacy. Growing competition in Europe, where the very existence of great nations depends on finding a foreign market for half of their manufactured products, makes the protective policy almost essential to the American people if we are to preserve our home market for ourselves. The threatened competition from the awakening Oriental people, with their industrial millions working for wages on the lowest scale, makes the protective system no longer a temporary expedient for the establishment of industries, as taught by Mill and the old writers on political economy, but as fixed a part of our national policy as the Monroe doctrine.

Whatever forms of civilization the centuries may have in store, this age is industrial, and in it we have circled the globe and advanced civilization to its highest recorded point. If the result of this gathering should be to awaken in the breast of every one a greater realization of these facts than has always existed in the past and should excite a keener determination vigilantly to foster and uphold these principles, then this occasion would indeed be fruitful of many good results.

There were addresses of congratulation to Senator Penrose by Hon. Edwin S. Stuart, Governor of Pennsylvania; Hon. John E. Reyburn, Mayor of Philadelphia; Theodore Justice of Justice, Bateman & Co.; John Stewart, Secretary of the Workingmen's Protective Tariff League; W. E. Wells of the Homer-Laughlin China Company of Newell, W. Va.; J. A. Farrell, President of the United States Steel Export Association of New York; Hon. Leslie M. Shaw, ex-Secretary of the Treasury; Frank L. Chipman of the Chipman Knitting Mills of Easton, Pa., and Congressman J. Hampton Moore of Philadelphia.

Mr. Justice spoke especially on the wool and woollen industry, pointing out the fact that because of too prodigal use of mutton, sheep almost everywhere over the world were being eaten up faster than they were being produced.

Europe has 10 per cent fewer sheep to-day than in 1894; Asia, 18 per cent fewer; and though the number of sheep and lambs in the United States has increased 46 per cent under the Dingley law, North America is still 7 per cent behind where it was in 1894, when the free wool experiment began to decimate our flocks. This emphasizes the importance of protecting the sheep industry of the United States. If, without a protective tariff, Europe with its cheap labor cannot compete with the pastoral countries of South America and Australia, how can the United States expect to do so? Our duty upon wool, by encouraging the sheep industry and the production of mutton and wool, has kept down the cost of flesh food and has kept down the cost of clothing, and probably has saved the people more money than all the wool duties that have ever been paid. I want you to notice that statement. I will repeat it. The tariff has kept down the cost of flesh food and of clothing, and probably has saved the people more money than all the duties that have ever been paid upon wool. The duty upon wool for this reason has never cost the American people a single dollar, in the opinion of some of our most prominent political economists. Home competition keeps down prices. As an evidence of that statement I allude to the price of clothing, which during the last two years of the Dingley Act was no higher than during the last year of the Wilson Act, when there was no duty upon wool at all. I want you to notice that. Protectionists claim that continued and adequate protection lessens the cost to the consumer, and the proof of it as far as it relates to clothing is shown in the facts I have just stated. About one-fourth of our sheep had been destroyed by a free trade Wilson tariff act, and prices began to advance. The law of supply and demand had begun to work. We had destroyed our flocks. Wool and sheep became scarce. We were dependent upon foreign nations for our supply. We then imported more from Europe than ever before or since. The consequence of the increased American demand increased the price abroad after the American farmer had parted with his sheep, and he was unable to share in the upward direction of prices.

The removal of adequate protection from wool means ultimately dearer clothing and dearer food for you all. It is important therefore that these facts should be widely understood. We treat them lightly, but the matter is serious. They evidently are not understood by many of our citizens. They however were quite intelligently understood by our Senator and by our Congressmen, who refused to lower the duties upon wool because they realized that this could not be done without destruction to an important American industry, and it is because of that that we are here to-night to so cordially express our appreciation of the services which have been rendered to great industries by our representatives in Congress.

Obituary.

JOSEPH BUBIER BANCROFT.

A VETERAN manufacturer and a member of a family group that has borne a splendid part in the industrial upbuilding of Massachusetts, Joseph Bubier Bancroft, president of the Draper Company of Hopedale, who died on October 25, had reached the golden age of eighty-eight years. Mr. Bancroft was born in Uxbridge, Mass., on October 3, 1821, and had been identified with the Draper Company at Hopedale since he was twenty-two years old. He began there as a machinist in the concern which George Draper, the father of Gen. William F. Draper and of Governor Eben S. Draper of Massachusetts, founded, and as this famous enterprise grew Mr. Bancroft was charged with larger and larger responsibilities, serving as superintendent and as agent. When the Draper Company was incorporated he became its vice-president, and a few years ago he succeeded Gen. William F. Draper as the president.

Mr. Bancroft was of old New England ancestry, his father, a native of Marblehead, having served against the British in the Second War for Independence. Joseph was one of ten children. He developed early a marked talent for the mechanic arts, and later proved a most capable executive and skilled and sagacious financier.

From 1877 to 1879 Mr. Bancroft was a member of the Massachusetts House of Representatives. For ten years he was a director in the Home National Bank of Milford, and from 1875 to 1881 he was an engineer of the Milford fire department. Mr. Bancroft was married in 1844 to Miss Sylvia Willard Thwing, a sister of the wife of George Draper, and he gave the beautiful granite library building of Hopedale as a memorial to Mrs. Bancroft.

Five children survive Mr. Bancroft — Eben D., of the Draper Company; Mary Gertrude, wife of Walter Windsor, president of the First National Bank of New Bedford; Lura, widow of Charles Day, who was the superintendent of the Draper Company; Lilla, wife of H. W. Bracken of Hopedale, the head of the foundry department of the Draper Company; and Miss Anna M., who since the death of her mother had been the head of her father's household.

Editorial and Industrial Miscellany.

LET US HAVE PEACE.

ONE of the most powerful forces in bringing on the recent revision of the tariff was undoubtedly the systematic and earnest advocacy of the course by the great National Association of Manufacturers, with a membership of 3000, representing all parts of the United States. This association has from the beginning been avowedly protectionist. No considerable organization of American manufacturers could well be otherwise. It is just about as certain that a manufacturer will believe in the protective policy as it is that a banker will believe in the gold standard of values. But the National Association of Manufacturers, while declaring its consistent devotion to the protectionist principle, has nevertheless, in a formal and organized way, labored for the general overhauling of the tariff law which was begun in the Washington hearings of a year ago and completed in the enactment, on August 5, of the Aldrich-Payne tariff. A large number of the members of that association belong to those especial American industries that, having grown strong and prosperous, have developed a considerable export trade. For this reason or for some other reason they have of late years laid less emphasis on the maintenance of full protective rates than some other classes of manufacturers, and have been eulogized in the tariff-hating press and by anti-tariff politicians as "liberal" or "moderate" protectionists.

Now this association of moderate protectionists, if they may so be called, have through their president formally placed themselves on record as utterly opposed to a further continuance of tariff agitation or further efforts for the revision of the existing tariff law. This declaration through President John Kirby, Jr., of the association, which was published on November 10, is most significant :

The National Association of Manufacturers is absolutely opposed to any revival of tariff agitation. The association feels that the tariff question has been disposed of by Congress and that any attempt to revive the subject will serve not only

unnecessarily to agitate business men in general, but also will retard the return of prosperity.

Reports received by our association from its three thousand members throughout the country indicate a healthy and decided increase in business. There is every proof that we are at the beginning of an extended period of national prosperity. This condition is most desirable and is of vital importance not only to the country at large, but also to every employer and wage-earner.

Tariff revision cannot be carried on without causing business unrest. We have had enough of it, and as manufacturers we insist that the tariff act be given a fair trial before inaugurating an agitation which can serve no good purpose in the present temper of the people. I regret to say that for reasons unknown, certain published statements are being circulated, whether maliciously or otherwise, to the effect that the National Association of Manufacturers is planning a campaign for further tariff revision. These statements are absolutely false and have no foundation whatsoever.

As president of the National Association of Manufacturers, I cannot say too emphatically that no such action has been considered or even suggested.

This public declaration of President Kirby is supplemented by a statement signed by Mr. Kirby and Mr. D. A. Tompkins, chairman of the Tariff Commission Committee, sent to the members of the association as follows:

This is to advise you that, for reasons unknown, certain published statements which are being circulated, whether maliciously or otherwise, to the effect that the National Association of Manufacturers is planning a campaign of agitation for further tariff revision are false and without foundation, no such action having been authoritatively considered or even suggested.

The question of tariff revision having been disposed of by Congress, your officers are not disposed to precipitate agitation that in any manner might have a tendency to disturb present indications of returning prosperity, all statements to the contrary notwithstanding.

Looking to its own interests and to the large interests of the entire country, the National Association of Manufacturers has taken the wisest possible course in aligning itself so promptly with President Taft and the leaders of the majority party and of the national administration in insistence that the tariff question is settled for long years to come. Throughout the movement for tariff revision that procured a pledge for such revision in the

Republican national platform of 1908, the first and most effective argument in favor of it was that it was actually advocated by American manufacturers themselves in their largest and most widely representative organization. But now the advantage shifts unmistakably to the other side in the official declaration of this great body of manufacturers that, the tariff revision having been accomplished, the new law must have a fair trial and the country a long period of rest. It will now be exceedingly difficult and we believe impossible for those forces, that either out of local discontent or general hatred of the protective policy are moving for another revision, to make any headway against this emphatic declaration of the National Association of Manufacturers.

It will be necessary for the tariff agitators to seek some other shield and sponsor for their undertaking, and apparently they have found it in the Merchants' Association of New York — for the latest meeting of these people was described as having been held at the office of that association. The great majority of the members of the Merchants' Association are undoubtedly American in their personal interests, but unfortunately the association, through some of its recent activities in Washington and elsewhere, has become known as identified with foreign interests. It has lent its name, or rather perhaps its name has been used without authority, on behalf of foreign manufacturers and importers in various undertakings at the national capital, and its name has been invoked by an operator of foreign steamships to South America, heading what purported to be a committee of the association, against the efforts of Presidents Roosevelt and Taft to protect and encourage the American merchant marine. If the name of the New York Merchants' Association is now to be borrowed by those who are seeking to keep tariff agitation alive in the United States, to the unsettling and injury of the country's business, the impression will be strengthened that the association stands for European rather than for American interests.

The political movement for another revision received exceedingly scant and cold comfort in November from the State elections as a whole. All through the Middle West, where dissatisfaction with the new law was described as most widespread and rampant, the Republican party held its own or more — notably in Indiana and Nebraska. In Rhode Island, the home of Senator Aldrich, where most of the newspapers are in the

hands of the enemy and a particularly vicious assault was made on the new law, the entire Republican ticket was elected by a majority far greater than that of the last or Presidential year. Only in Massachusetts was there any weakening, and that weakening, as is thoroughly understood, was due in part to labor-union resentment of a perfectly wise and just act of the Republican Governor, and only in part to the adroit misrepresentations and indeed to the sheer falsehoods of the anti-protectionist press and politicians, widely circulated among the wage-earning class, as to the causes of the high cost of living. If the Republican campaign in Massachusetts had been devoted more promptly and energetically to an exposure of these misrepresentations, which can scarcely succeed another year, there would undoubtedly have been the normal Republican majority in an off-year election.

President Taft now invites the consideration of Congress to new and urgent public questions more interesting and commanding than a reopening of the tariff. Congress and the country will follow the lead of the National Association of Manufacturers in dismissing the tariff as a present issue and in insisting on a long period of relief from further agitation. There will be general and emphatic agreement with President Kirby that "We are at the beginning of an extended period of national prosperity," and that "This condition is most desirable and is of vital importance not only to the country at large but also to every employer and wage-earner." This is absolutely true, and every man, be he employer or wage-earner, who, agitating for tariff revision, contributes his weight to shake and unsettle the confidence that is the essential foundation of this prosperity, is an enemy to his own and to the country's business.

PRESIDENT WHITMAN TO PRESIDENT KIRBY.

THE following letter is of interest to manufacturers and indeed to all business men:

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,

BOSTON, MASS., November 11, 1909.

MR. JOHN KIRBY, JR., *President National Association of Manufacturers, 170 Broadway, New York City.*

DEAR SIR: I know that I am voicing the opinion of a great many manufacturers of this section of the country in commend-

ing most heartily your declaration of yesterday that your association is "absolutely opposed to any revival of tariff agitation," that "tariff revision cannot be carried on without causing business unrest," and that "we have had enough of it and as manufacturers we insist that the tariff act be given a fair trial before inaugurating an agitation which can serve no good purpose in the present temper of the people." This declaration cannot but have a most wholesome effect upon the public mind and help mightily to assure a continuance of that mutual confidence among business men so indispensable to a maintenance of general prosperity. The new tariff is not perfect; no tariff ever was perfect or ever will be. But thus far business has steadily improved under its operations, and if there are any serious defects in the new law they have not yet developed. Like every tariff law before it, this is deserving of a fair and honest trial, as you have so powerfully urged. If the country now believed that another tariff revision or a revision even of a few schedules were intended, we might speedily relapse into conditions like those of the panic year of 1907.

In the "Boston Herald" of to-day Mr. H. E. Miles of Racine, Wis., who is described as the chairman of the Committee on Tariff and Reciprocity of the National Association of Manufacturers, protests that he is opposed to another general revision of the tariff at the present time, but declares that he favors a tariff commission with broad powers, and that "Let us then have a revision of one schedule at a time, or any other revision warranted by facts, both as to time and nature, with no prejudgment." Such a declaration by Mr. Miles, put out, I know not on what authority, in the name of your association, is directly calculated to encourage that very unrest and shaking of prosperity which you deprecate. A piecemeal tariff revision would be only a little less disastrous than a general revision in the uprooting of public confidence. I do not know how much familiarity Mr. Miles may have with other schedules of the tariff, but his printed references to the wool and woolen schedule demonstrate almost complete ignorance of the conditions of this great national industry. The tariff is preëminently a business question. It ought to be discussed, if discussed at all, in a sensible and moderate spirit — in the same spirit in which manufacturers and merchants are in the habit of considering large business affairs. Mr. Miles's allusions to the wool and woolen duties have been

ill-informed, extreme and hostile to a point of recklessness unsurpassed, I think, by any partisan editorials on the subject in the yellowest of yellow newspapers. If the legislation which he advocated on this subject were to prevail, it would result in the certain destruction of a very large part of the American wool manufacturing industry and the ruin of the interdependent industry of wool growing in the Western States.

For two years the business of this country has been under the harrow first of a financial panic and then of tariff agitation and revision. We have fairly earned the right to a few years of peace, under what President Taft has well described not as a perfect tariff but as, on the whole, "the best tariff bill that the Republican party has ever passed." Whatever views individual manufacturers may have had a year or two ago as to the advisability of tariff revision in the future, I believe that, now this revision has been had, the manufacturers of America are practically unanimous in a determination that the question shall not now or in the near future be reopened either for a general revision or a piecemeal revision. And I trust that you and the National Association of Manufacturers will go further and make it clear that men who invoke your name in advocating a piecemeal revision are speaking not only without your consent but in defiance of your authority as well as against your interests.

Very truly yours,

WILLIAM WHITMAN,

President.

(In reply President Kirby stated that Mr. Miles was no longer Chairman of the Committee on Tariff and Reciprocity of the National Association of Manufacturers, and that he was not even a member of the committee, having resigned his connection therewith last May.)

AN HONOR WELL DESERVED.

THE Federal Bureau of the Census has recognized exceptional fitness and thorough familiarity with the work in hand by selecting as Consulting Expert Agent on the wool manufacture in the census of 1910 Mr. William J. Battison, who for twenty-four years has been the active and efficient General Agent of the

National Association of Wool Manufacturers. Mr. Battison is known personally to hundreds of manufacturers throughout the United States, who will heartily approve of the appointment as a token that the Census Bureau intends to have its technical work performed under the guidance of picked men of the best information and authority.

Mr. Battison has had broad experience as a practical statistician. He was Special Agent Expert Clerk of the Eleventh Census, and was also Expert Special Agent in charge of the wool manufacture and of hosiery and knit goods in the Twelfth Census. Mr. Battison had been associated with the late Dr. John L. Hayes, who performed such invaluable service as the first Secretary of the National Association of Wool Manufacturers, and also with his successor, Mr. S. N. D. North, who left the office of this Association to become the Director of the Census.

Mr. Battison's report on the wool manufacture in the Twelfth Census was highly commended by the best technical authority of the United States, and the "Yorkshire Observer," published in Bradford, the center of the wool manufacturing industry of Great Britain, paid the work a tribute which is worth recalling here, both as an illustration of the way in which Mr. Battison is regarded abroad and as an example of a kind of public service in which England frankly acknowledges that it has much to learn from America:

"We have received from Mr. William J. Battison, who was appointed as a special expert for the purpose, his report on the wool manufacture of the United States, compiled from the information obtained during the taking of the American census of 1900, the twelfth census of the United States. It is prefaced by a short statement, in the way of explanation, by Mr. S. N. D. North, chief statistician for manufactures, and Mr. Battison's chief, himself a gentleman who has a close acquaintance with the subject, and who is not unknown on the Bradford Exchange. This Census Bulletin, as it is called, would in this country be issued as a Blue Book, but it is safe to say that for some decades yet the British government will not have 'waked up' sufficiently to attempt anything at all comparable to Mr. Battison's great work. The average American must have a far higher appreciation of the value of such information as is here contained; must, moreover, be a far more docile and unselfish citizen than the

average Britisher, and, we might even argue, must be a much better educated man altogether, or the Census Department at Washington could never have obtained the enormous mass of statistics that are collated and digested in this luminous report. And certainly the English Census Department has never yet laid hands upon an official with the qualifications and enthusiasm for his subject displayed by Mr. Battison.

"It is hard to say whether in reading this report we are more amazed at the fulness and completeness of the information it contains in regard to every department of the wool industries of the United States or ashamed by the utter and lamentable absence of any similar statement in regard to these industries in our own country. Of the one hundred and twenty-five large quarto pages of which this report consists, more than two-thirds are figures. . . . And all this for every State in the Union, except a few which practically have no manufactures at all. This same elaborate tabulation is also carried out in regard to worsteds, carpets, knit goods, wool pulling (fellmongering), and hat-making. Mr. North, in his introduction, half-apologetically, as if such an oversight were to be deprecated, says: 'Live capital, that is, cash on hand, bills receivable, unsettled ledger accounts, raw material, stock in process of manufacture, finished products on hand, and other sundries were first called for at the census of 1890. No definite attempt was made, prior to the census of 1890, to secure a return of live capital invested.' Under great pressure we can perhaps imagine such matters, considered by most of us 'strictly private,' to be divulged to a board of income-tax commissioners, but it is almost impossible to conceive of their being asked for in a census paper. And yet, why not? Due safeguards being taken that the information is sent direct to the chief census office, and is never to be accessible in any way except after collation and consequent elimination of the individual character, no harm but much good might result from the collection of such data for studying the phenomena of the trade. For instance, we should at once obtain a fairly accurate estimate of the value of the home trade and of the relative importance of its various departments as consumers of wool, facts which have important influences on the market, but as to which we are now profoundly ignorant. Then the proportion of horse-power required per wage-earner, the weight of production per wage-earner, in the various branches, the practice in regard to the depreciation of plant, the

expenditure on 'fixed charges,' the relation of turnover to capital and of wages and material to cost, are all matters not only of interest, but which it would be of immense advantage to know if we are to scientifically understand our trade, and see where we actually stand in competition with other countries. However, this is by the way, and it will be more profitable to quote some of Mr. Battison's observations and conclusions."

PRESIDENT WOOD'S VIEWS.

PRESIDENT WILLIAM M. WOOD of the American Woolen Company, at a dinner given to the officers of the company in Boston, Friday evening, November 12, referred in his address to several subjects of very great interest to the industry in general. On these points Mr. Wood said:

In the conduct of our business we have had many obstacles to overcome — some physical and some ethical. On the ethical side of the business, merchants felt that it would be unwise to place all their orders in the great combination; they did not care to have all their credit in one spot, for fear that in case of a tight money market or in a panic they would be at the mercy of the American Woolen Company. Others felt that it was for their interest to discourage the development of the American Woolen Company, and to give as many as possible of their orders to the outside mills.

As to the first of these two illustrations, I can only say that we have gone through almost all kinds of experience since the company was formed. We have been through two Presidential elections; we have had seven years of radicalism in politics, which ended finally in a great panic; we have seen stringencies of money and easy markets, and the American Woolen Company has not, so far as I know, inconvenienced a single customer. In fact, during the panic it was a bulwark to the whole woolen trade. Many a manufacturer of clothing is indebted to the company for this support, and indirectly many a bank can never know the losses they avoided.

As to the second illustration, that it was for the interest of buyers to place their orders with outside concerns, I can only recall the period that existed previous to the formation of the American Woolen Company. In those days, each commission house representing the various mills would open up its various lines within a period of a few days of the other commission houses, and then a cut-throat process of selling so unsettled values that no manufacturer knew what he was to receive for his

goods until practically the season was about over. There were trading and jockeying; there was an unsettling of values as to comparative fabrics, and the result was that mills through such handling were reduced to a condition where it was impossible to make money enough to keep their plants in order, and the buyer himself never knew where he stood, on account of the uncertainty of prices and the trading in the market. This in a very great measure has been changed. When the American Woolen Company announces its prices, all the trade know that so far as this corporation is concerned, with its many mills, wide variety of fabrics, and vast product, the prices are fixed and stable, and they can buy with confidence. The aim of the American Woolen Company has always been to conduct its business along the lines of the highest ideals, to treat all who come within its scope of business in a just and honorable way, never seeking any undue advantage and discouraging any attempt on the part of dishonest customers whereby such customers may have some pecuniary advantage over others, to the end that all may be treated equally. In order to do this there may be instances where the good intentions of the company seem arbitrary; in the end the policy works to the greatest advantage of the greatest number, with equal fairness to all, and to the company itself.

The jobbers and manufacturers of clothing of this country are very able, conducting their business honorably, with energy, skill, and on the whole with high ideals. On the other hand, there are some who almost openly boast of being able to meet their store expenses, rent and clerk hire from their questionable practices. The American Woolen Company does not countenance any such practices or give these unprincipled buyers the slightest advantage over the honest buyers; so that customers should bear in mind that it is in their interest and in the self-protection of the company that the company is obliged to adopt an inflexible policy concerning its prices, its terms, its claims, and to firmly maintain the one basic principle from which it can never depart, and that is, on the allowance of claims after the cutting of goods. In my opinion, a departure from this fixed purpose would not only mean the greatest misfortune to the company, but would work most disastrously to the buyer. This is so fixed in our minds that we have embodied this understanding in our contracts and it is as important a feature of the contract as the prices and terms of dating themselves.

THE WINONA SPEECH.

It is far from my intention to criticise the President of the United States. For him I have the most exalted regard; but a President is only human, and in the vast business of this country it is not expected that any one man can understand the intricacies that make up any particular industry. He must rely upon the advice of others, and when he has been misinformed, as he is

very liable to be, it is not surprising if he makes a statement such as was quoted from his Winona speech, where he said that it was a matter of profound regret that the duties on wool and woolen goods were not greatly reduced. I wish here to pay tribute to the President of the National Association of Wool Manufacturers, and to say that the woolen and worsted manufacturers and the wool growers of this country owe a debt of gratitude to him for his most exhaustive and splendid argument supporting the wool and woolen schedule before the Ways and Means Committee. His efforts to secure the best expert opinions and actual existing facts, in the compilation of information for the enlightenment of the committee, were as wise as they were untiring, exhaustless, and honest. It was undoubtedly the ablest paper ever presented by the National Association of Wool Manufacturers to Congress, and will hereafter, in my opinion, stand as an authority for future reference. If Mr. Taft had had the time to peruse that document, I feel very certain he would have made no such reference at Winona. The President of the United States stands for American industry and American labor; he certainly would be the last man who would want to see our woolen goods made in Europe and our labor and our mills idle at home.

THE CLOTHIERS' ASSOCIATION.

Effort has been made by certain parties for selfish reasons to take advantage of the passage of the tariff act and to attribute to the tariff that which does not belong to it. I refer to the memorial to Congress by the Clothiers' Association, in which they condemn in unmeasured terms the duty on wool and call attention to the steady deterioration of fabrics, which we deny, and the necessity on their part to advance clothes 20 to 25 per cent to the consumer. Not a change has been made in the woolen schedule over the Dingley bill that in any wise would affect the prices of cloth. There has been no change in the labor, but there has been a change in the raw material—the wool, not alone in the United States, but in the markets of the world. Wool has continued to advance steadily in London, in Melbourne, Australia, and throughout the world, and is reflected here in our own local market. Within 12 months wool has averaged an advance of fully 20 cents a clean pound. Taking goods averaging a pound to the yard and requiring $3\frac{1}{2}$ yards for a suit of clothes, the average advance due to raw material would not exceed 75 cents to \$1 on a worsted suit. The clothing manufacturers say in their memorial that there has been a deterioration in the fabrics. This we believe is not generally true. There are standard fabrics known throughout the trade that it would be fatal to reduce in quality in any way. Manufacturers are continually, and always have been, trying to bring out a cheaper and cheaper fabric, but the quality of the fabric is indicated by the

price. As large manufacturers of woolen and worsted goods, there has been no attempt on our part to reduce the quality of any previously established fabric to be sold under the same ticket, and we produce 60,000 styles of goods a year. Evidently the committee of the Clothiers' Association, who I am told called upon the President of the United States, failed to explain to him their simple policy of regularly establishing prices for clothing at \$10 per suit, \$12.50 per suit, \$15 per suit, \$20 per suit, etc., and that no matter what the fluctuations may be in the cloth, they fit the fabric to the price of the suit, that if they can give a better suit of clothes one year for \$10 they do it, that when the price of the cloth has advanced they furnish a cheaper suit for \$10 and push the former fabric up into the next class, and so on. If the average advance in the price of wool adds 75 cents to \$1 to a suit of clothes, they push the \$10 suit up \$2.50, the \$15 suit up \$3, and the \$20 suit up \$5. Therefore, there can be no grounds for the statement that the American people are to pay \$120,000,000 more for clothing. If the clothing manufacturers are only to charge for the increase in cost of the raw material, a \$10 suit should sell for perhaps \$10.75; a \$15 suit should sell for, say, \$16, and a \$20 suit at \$21, if they are so anxious that the general public shall not be overcharged; but in no wise can they attribute their methods of doing business to the tariff.

THE CARDED WOOL INTEREST.

As to the profits in the woolen business, a careful study of the report of the National Association of Wool Manufacturers to the members of Congress shows conclusively that the margin in the business is not excessively large. A small number of carded woolen manufacturers protest against the present method of specific duty upon wool, and there is no denying they have some grounds for argument. Taking the question as a whole, however, with the interests of the wool growers as well as those of the manufacturers under consideration, it becomes both a political and a mathematical impossibility to bring about what they desire.

The Dingley bill went into effect in 1897, so it has been in force 12 years up to the time of the recent change. During the years 1904 and 1905 the strictly woolen fabrics were in favor and in great demand. We ran our woolen machinery not only full but a great deal night and day, and were receiving from outside mills the production of the equivalent of 60 sets of cards. Since that time woolens have gradually fallen into disfavor, and there have been times when we were running only about 50 per cent of our woolen machinery; so that it goes to show that the so-called discrimination in favor of the worsted interests against the woolen is not the cause of the idleness of woolen machinery, but that this is due to the vagaries of fashion, and

the coming year promises to bring woollens into favor again, so that every woollen card in the country should be running, and these varied conditions occurred under precisely the same tariff.

The country needs a cessation of tariff talk, and to be allowed to go about our business without further disturbance. The tariff should be considered settled for at least a decade.

We have done much in providing for the growth of our business. Ten years ago it amounted to \$20,000,000; now some \$60,000,000, in output. We have built the new Assabet Mills, the new Wood Mills, the new Ayer Mills, the new mill at Fulton, N.Y., and have placed all of the mills of the company in good repair and ready for such demands as may arise, insuring maximum production at a minimum cost. It may interest you to know that the total sales covering the period of 10 years are approximately \$450,000,000, and that we have during that period paid quarterly and uninterruptedly the regular 7 per cent annual dividend upon the preferred stock, amounting in total to \$18,200,000. The business for this year will approximate, including that of the Wood Worsted Mills, between \$58,000,000 and \$60,000,000.

I congratulate you on your individual efforts, which collectively have made these results possible.

THE THIRTEENTH CENSUS SCHEDULE.

THE general schedule which will be used in the Federal Census of Manufactures for the calendar year 1909 has been formulated, and about 700,000 printed copies have been ordered by Census Director E. Dana Durand.

The schedule is in the form of a 4-page folder, about 9 by 11½ inches in size. It is smaller and simpler than the ones upon which the 1900 and 1905 censuses of manufactures were taken. It has less than half as many spaces for entries as the others. The tendency to overburden the schedule with inquiries seems to have been avoided.

The schedule was prepared mainly by the Director, Assistant Director William F. Willoughby, and Mr. William M. Stewart, chief statistician for manufactures. Advising with them on the subject were the economic and statistical experts forming the advisory board of special agents.

Before adoption by the Director, it was submitted to well-known business men, representing boards of trade, chambers of commerce, manufacturers' associations, and also to individual

authorities in the large manufacturing cities. The schedule has met with quite general approval by those to whom submitted.

The Director was authorized by Congress to determine the form and subdivision of inquiries necessary to secure the information required for statistical purposes. Throughout the preparation of the schedule simplicity of inquiry has been sought, with the necessary completeness which will permit correct interpretation.

Advantage has been taken of the experience of the Bureau at the census of 1900, and it is believed that the application of the blank will result in a complete and satisfactory census.

THIRTEEN PRINCIPAL QUESTIONS.

There are in the new general schedule thirteen principal questions, with their subdivisions. This is the same number as in the general schedule for 1905. There are, however, important differences between the two schedules. These comprise, in the 1909 schedule, the new questions authorized by Congress, the elimination of former queries to which it is believed to be impossible to obtain accurate replies, and also the simplification of others by their separation or combination in other forms.

One of the subdivisions of the question relating to power employed for manufacturing purposes calls for the name of the stream or lake from which water is obtained to generate power, whether direct or electric. This information will furnish a first step toward a census of the country's water-power plants and operations should Congress specifically authorize such a census in the future.

Another new question involves the quantity of fuel used, whether anthracite coal, bituminous coal, coke, wood, oil, gas, or other kind. This is expected to elicit replies affording considerable data on the fuel-conservation question.

The thirteen principal questions are, briefly: First, a description of the establishment; second, time in operation and hours worked; third, capital invested; fourth, salaried employees; fifth, wage-earners, including pieceworkers, on the pay roll December 15, 1909, distinguishing men, women, and children; sixth, wage-earners, including pieceworkers, employed on the fifteenth day of each month, without distinction of sex or age;

seventh, salary and wage payments ; eighth, materials, mill supplies, and fuel ; ninth, miscellaneous expenses ; tenth, products ; eleventh, power ; twelfth, fuel ; and thirteenth, remarks.

TO BE CIRCULATED AFTER JANUARY 1 NEXT.

The general schedule, beginning shortly after January 1, 1910, will be circulated among the manufacturers throughout the country by the special agents, of whom about 1600 will be appointed from the successful applicants at the test examination, to be held November 3.

There will be two classes of these employees ; one called "chief special agents," and the other "assistant special agents." The chief special agents will each be placed in charge of a given territory or district of a State, and the assistant special agents will be assigned to assist them.

The Director, on the first page of the schedule, makes the statement that the census is taken in conformity with the act of Congress approved July 2, 1909, and that reports are required on this schedule for all establishments that were in operation during any portion of the year ending December 31, 1909, although the statistics may pertain to the business year which most nearly conforms to the calendar year. He calls attention to the fact that the law makes it obligatory upon every manufacturer to furnish census data, but declares that all answers will be held absolutely confidential. No publication will be made in the Census reports disclosing the name or operations of individual establishments in any particular. He cites a provision detailing the punishment for any employee publishing or communicating any information coming into his possession.

The schedule states that amounts and values are to be obtained from book accounts, if such accounts are available.

The special schedules for the wool manufacture and for hosiery and knit goods, which are supplemental to the general schedule, were submitted to Mr. William J. Battison of this office, Consulting Special Agent of the Census Bureau, who made valuable suggestions which have been in the main adopted.

THE HARRIS TWEED INDUSTRY OF SCOTLAND.

IN response to many inquiries from the United States, Consul Maxwell Blake of Dunfermline has prepared a full and excellent report on the Harris tweed industry, one of the characteristic industries of Scotland. This report is illustrated by photographs for which we are indebted to the courtesy of the Bureau of Manufactures of the Department of Commerce and Labor. Mr. Blake says:

I am informed that the interest that has been felt in Great Britain for some time over the hard conditions of the hand weavers in the island of Harris, is imminent of crystallization



Shores of the Hebrides.

into a parliamentary protective act, whereby an official seal of genuineness will soon be required to be stamped to each piece of cloth which has actually been made in the island of Harris—a final effort to prevent by legislation the prevailing practice of

marketing and selling machine-made substitutes as genuine Harris tweeds.

LIFE AND INCOME OF WORKERS.

For the past 40 years or more, or since the power of steam and mechanical weaving began to dominate the manufacturing world,



Teasing Wool.

the lot of the hand weaver has continued to grow more precarious, until to-day, with respect to Scotch and English woollens, it is practically extinct, save in that remote group of islands known as the Outer Hebrides, off the northwest coast of Scotland. Here the crofters, living in rude huts of unhewn stone laid without mortar frequently with no escape for the smoke but the open door, are altogether ignorant of and unable to understand the changed conditions, and being too poor to initiate the costly experiment of mechanical weaving in their scattered community, they struggle on persistently and eke out a meager existence by the old methods of the hand loom.

Stornoway, the nucleus of the homespun trade in Lewis, is a fish-

ing village numbering about 300 inhabitants, 36 miles from Harris, the parent island from which the cloth takes its name. In Harris there are approximately 600 families engaged in weaving homespun, each family weaving on an average three to four pieces per year, 35 yards to the piece, and receiving for the finished cloth about 73 cents per yard, a family realizing for their year's communal work from \$146 (£30) to \$194.66 (£40). The total annual output of Harris and vicinity is about \$340,655 (£70,000) to \$389,320 (£80,000).

RESISTANCE TO MOISTURE.

Homespun are especially adapted for open-air life and sporting purposes in moist climates; their suitability being especially due to an innate elasticity of the cloth, an admitted advantage for the use of sportsmen who fish, shoot, and golf.

The elasticity of Harris tweeds was formerly greater than at present, arising from the curious fact that the more than 60 inches of annual rainfall in Harris necessitated the farmers smearing the backs of their lambs with a preparation of tar and grease to prevent the rot. This treatment incidentally proved to be very beneficial to the wool, and was recognized by the trade as "smudged wool," and commanded an enhanced price. The practice of smudging, however, has now been discontinued, as a stronger breed of sheep, capable of resisting the climate, has gradually been produced. There is, nevertheless, a large amount of natural grease yet retained in the wool and left in the woven fabric, with the result that genuine homespun are actually more nearly rainproof than some cloth artificially submitted to the so-called "rainproofing" processes, as the homespun resist the penetration of moisture naturally, whereas a great many of the waterproofing chemicals are said to lose their effectiveness after a time. Homespun are nonconductors of heat as well, but, as already remarked, are more suitable to damp climates, as the openness of the fabric is less adapted to resist cold, penetrating, or chilling winds.

Another important quality of the genuine homespun is that the cloth is either undyed, or when dyes are used they are almost invariably vegetable dyes which are permanently fast, resisting the most trying exposures.

THE VARIOUS WEAVES.

Of all the classes of homespun, probably the most famous is the Harris tweed, made on the island of Harris, in the Outer Hebrides, off the west coast of Scotland, but some of the tweeds known as "Harris" are made on the Isle of Lewis and also in the North Uist. All of these tweeds are legitimately designated as Harris tweeds, as they are made by almost identical methods and it is practically impossible even for an expert to differentiate

between tweeds made on these islands. These homespunns are heavy of weight, and the natives being proficient in the use of dyes, the cloth is uniformly of various soft colors, such as browns, greens, drabs, or rich and harmonious blendings of these colors.



Dyeing Wool.

It is a curious fact that very few of these islanders possess the secret of dyeing black, and gray is likewise an uncommon color in a real Harris tweed. These tweeds have generally, but not invariably, a questionably pleasant odor, with which any one who has ever worn a Harris tweed will be instantly familiar, and which to a considerable extent comes from peat smoke or "peat reek," as it is called, peat being the fuel universally burned on these islands. The dyes also contribute to the odor as well, particularly a lichen called crottle, which is very redolent. The presence of this odor is one way of telling a genuine Harris from the machine-made substitute.

Shetland homespunns, made in the Shetlands — the most northerly of the British Isles — largely owe their excellence to a small brown sheep of those islands, possessing a particularly fine wool. This wool is extensively used in the islands for making

underclothing and shawls, all of which are hand spun and hand knit, and it is also used for weaving tweeds. Its texture is luxuriously soft, but is of considerably lighter weight than the Harris tweed, being more suitable for summer wear.

DYEING SECRETS.

The Shetland islanders seldom use any dye, and their home-spuns are generally made in the plain drab color which is natural to the sheep, or in browns, with a variegated design of the diamond herring-bone patterns on simply plain brown and white wool.

In contradistinction to this ignorance of the art of dyeing among the people of the Shetlands, the inhabitants of the contiguous Fair Island, although not famous for any quality of cloth



Carding Wool.

comparable to that made in either Harris or the Shetlands, possess a secret of dyeing an indescribably rich crimson, recalling associations of the early Spanish dyers. It is historically known that one of the galleons of the Spanish Armada was wrecked on

this island, and it is probably correct to assume that this crimson is the reminiscence of an art taught the islanders by the Spaniards.

Within recent years efforts have been made by travelers, living on the island with a disguised purpose, to discover this valuable secret, which has so long been perpetuated among them and which



Waulking the Tweed.

they put to so little use, but so far secretiveness has been more than a match for cunning, and all that is known regarding the process is that the body of the dye is ox blood and its components vegetable admixtures.

True homespun is made from the wool clip of sheep reared in the same district. The first process in the manufacturing of the cloth is to tease the wool, which, more explicitly, is to separate the strands. After this preliminary treatment it is usually dyed in an open kettle. The dyes used are generally vegetable, most of which are indigenous and can be obtained by the natives for the gathering. For instance, crotle, used to dye various shades of brown, is a rock moss or lichen. Roots of iris, heather tips, and various other plants are also utilized. These dyes are as fast as indigo, and although the process of dyeing in the large pot in the open air may appear primitive, the results obtained cannot be criticised, the colors being rich with a bloom which impregnates and endures.

CARDING, SPINNING, WEAVING, AND FINISHING.

After having been dyed, the wool is carded. The cards are somewhat similar to brushes, with wire instead of bristles, the wool undergoing a repetition of this combing process in order to procure a smooth and untangled fiber, after which it is ready to be spun on the old-fashioned spinning wheel familiar to us all. The process of carding and spinning by hand is exceedingly tedious. The women and children will spend weeks of their time in preparing enough wool to make one single piece of cloth.

After the above treatment, the wool is known as yarn and is ready for the loom. Some of the cottagers possess their own looms, but generally the yarn is woven by a special weaver. Weaving in Harris is usually the work of women, but in Ireland and the Shetlands invariably of men, as it is exceedingly difficult labor. A portion of the wool is next put in the primitive old hand loom as a warp and the remainder is wound in bobbins for the weft, and the cloth is then tediously woven.

In most of the hand-loom districts the cloth, when finished, is simply cleaned and scoured and then left in a running stream, afterwards to be dried in the open air; but in Harris it is "waulked," the same as being milled in a factory. Six or eight women, required for this process, assemble together, and spreading a piece of cloth between them on a prepared board surface, ribbed in shallow grooves, it is pulled from side to side, a few yards at a time, until the whole piece has been thoroughly "waulked" or plenteously wetted with soap and water. Finishing the cloth in this way reduces it from about 32 inches in width to 28 inches. Finally it is left to soak clean in a running stream.

SALES METHODS AND IMITATIONS.

The cloth is now brought in from the scattered and remote places of production and disposed of to the various small provision dealers, and it is from these petty intermediaries that the traveling agents of the jobbers collect it for shipment to London and elsewhere.

The open and notorious appropriation, by woollen manufacturers of Yorkshire and the Tweed, of the Harris name, design, pattern, and every other imitable characteristic of this fabric, save its splendid wearing quality, does not alone constitute the extent to which they have contributed to its recent decadence. Efforts have also been made of selling in the island machine-made and adulterated yarns in substitution for the durable hand-spun yarn, heretofore the really unique feature of the Harris tweed, with the result that the weaver, finding himself able to purchase this yarn — the same to all appearance as the hand-spun article with which he is familiar — at a considerably less cost than he is able to laboriously produce it by his old method, is often tempted to surreptitiously introduce this machine-made yarn for the weft of

the fabric, as he is yet honest enough to realize that it does not possess sufficient strength for the warp of a sound cloth. When this substitution has been made in this way, it is utterly impossible of detection by any other means than the wear.

Fortunately, however, the remoteness of many of the weavers from the places where this machine yarn can be procured, as well as the restrictive cost of its distribution, coupled with the paro-



Crofter's Cottages.

chial disinclination of the crofter to bestir himself for its purchase, the strength of rural custom and suspicion of innovations have all partly helped to save the industry from any further corrupting influences, but unless something is soon done to educate the weaver against its use or to prevent its sale among them, it is bound to be only a question of time until this adulterated yarn will become more generally used.

SANITARY FEATURE — IRISH HOMESPUNS.

It is needless to revive the recent controversy as to whether or not a real Harris tweed may be accepted as satisfactory from a

sanitary point of view, an objection to this cloth which the imitators have very sedulously employed. Undoubtedly a certain amount of primitive dirt is not unlikely to adhere to the yarn and does actually become woven in the cloth. That, however, is distinctive of the processes of all hand weaving. But the contention that anything of a contaminating nature results is dismissed as untenable by disinterested authority. The "waulking," soaking, and open-air drying of the finished cloth, as already described, are apparently sufficient to thoroughly cleanse the cloth of all impurities it may have been exposed to during the different stages of its production.

It is worthy to remark before concluding that Ireland produces many fine homespuns, perhaps the most famous being the Donegal. These homespuns possess both individuality and style. The products of this industry, however, have been protected from wholesale imitation from the fact that a certain amount of colored yarn is used in weaving the cloth, which results in bright irregular flecks of crimson, green, brown, blue, and other such colors, and though the body of the cloth is a plain drab or gray, or the natural color of the sheep, at least one-half of the wool is colored, producing an irregularity of effect which has so far defied mechanical imitation.

Other varieties of Irish homespuns are the Connemara, often characterized by bizarre stripes and solid or bright colors, and the Kenmare and Kerry tweeds, famous for fishing and mountaineering.

THE NEW FIFTY-SIX HOUR LAW.

On the first day of January next, with the incoming of the new year, there goes into effect in Massachusetts the new law of 1908, reducing from fifty-eight to fifty-six the maximum number of hours in a week in which women and children may be employed in laboring in the manufacturing or mechanical establishments of the Commonwealth. As Massachusetts is the chief of the textile States of the Union, and as her laws often set the precedent for legislation elsewhere, this new measure is of interest to the entire textile industry of America. The exact text of the provision covering the fifty-six hour week is as follows:

No child and no woman shall be employed in laboring in a manufacturing or mechanical establishment more than ten hours in any one day, except as hereinafter provided in this section, unless a different apportionment of the hours of labor is made for the sole purpose of making a shorter day's work for one day of the week; and, in no case, shall the hours of labor exceed fifty-eight in a week; and if any child or woman shall be employed in

more than one manufacturing or mechanical establishment, the total number of hours so employed shall not exceed fifty-eight in any one week. From and after the first day of January in the year nineteen hundred and ten, no child and no woman shall be employed in laboring in a manufacturing or mechanical establishment more than ten hours in any one day, except as hereinafter provided in this section, unless a different apportionment of the hours of labor is made for the sole purpose of making a shorter day's work for one day of the week; and in no case shall the hours of labor exceed fifty-six in a week, except that in any such establishment where the employment is by seasons, the number of such hours in any week may exceed fifty-six, but not fifty-eight, if the total number of such hours in any year shall not exceed an average of fifty-six hours a week for the whole year, excluding Sundays and holidays. Every employer shall post in a conspicuous place in every room in which such persons are employed a printed notice stating the number of hours' work required of them on each day of the week, the hours of commencing and stopping work, and the hours when the time allowed for meals begins and ends or, in the case of establishments exempted from the provisions of sections sixty-seven and sixty-eight of this act, the time, if any, allowed for meals. The printed forms of such notices shall be provided by the chief of the district police, after approval by the attorney-general. The employment of such person at any time other than as stated in said printed notice shall be deemed a violation of the provisions of this section unless it appears that such employment was to make up time lost on a previous day of the same week in consequence of the stopping of machinery upon which he or she was employed or dependent for employment; but no stopping of machinery for less than thirty consecutive minutes shall justify such overtime employment, nor shall such overtime employment be authorized until a written report of the day and hour of its occurrence and its duration is sent to the chief of the district police or to an inspector of factories and public buildings.

A parent or guardian who permits a minor under his control to be employed in violation of either of the two preceding sections, and any person who, either for himself or as superintendent, overseer or agent for another, employs any person in violation of the provisions of either of said sections, or fails to post the notice required by either of the preceding sections, or makes a false report of the stopping of machinery under the provisions of the preceding section, shall be punished by a fine of not less than fifty nor more than one hundred dollars. A certificate of the age of a minor made and sworn to by him and by his parent or guardian at the time of his employment in a mercantile, manufacturing or mechanical establishment shall be *prima facie* evidence of his age in any prosecution under the provisions of this section.

FRENCH CAPITAL AND SKILL COMING OVER.

Just as the McKinley and the Dingley tariffs were signalized by a transfer to this country of important textile industries from abroad, so the Aldrich-Payne law is bringing to America some of the accumulated capital and expert financial and industrial skill of Europe. American wool manufacturers will be interested to know that this movement is affecting the allied industry of silk manufacture. The new tariff, with its more precise silk schedule, discouraging undervaluations, compelling sufficient protection, and insuring just revenue to the Government, is persuading the silk manufacturers of Europe that in order to do a profitable business with this country they must establish plants in the United States.

It is announced that no less a personage than Joseph Gillet, of Gillet et Fils of Lyons, the greatest silk dyeing house in the world, with branches in Italy, Russia, and Austria, an army of 10,000 workers and a capital of \$50,000,000, is turning his attention to America and has purchased the majority interest in the large Jacob Wiedman Silk Dyeing Works at Paterson, N.J. It is believed that the French capitalist, whose sons Edmond, Charles, and Paul have been in this country for some time, will embark in the weaving and finishing as well as the dyeing business. These French investors regard the possibilities of the American market as almost unbounded. Their enterprise will be sustained by powerful French financial and investing interests.

Moreover, it is understood that some of the velvet manufacturers of France are contemplating a similar movement, and are looking forward to the establishment of velvet mills in this country under the influence of the Aldrich-Payne law. These manufacturers also are discovering that it will be easier and more satisfactory to manufacture fabries in this country than to make them abroad and endeavor to import them. Under the Gorman-Wilson law, it will be remembered that some well-established American textile industries took flight to Europe. Now the process is reversed.

Of course the incoming of these well-equipped European manufacturers means an intensifying of domestic competition, but this is something that can scarcely be resented by those who profess to be interested in the welfare of the "ultimate consumer." Nor is there any need of alarm among present domestic manufacturers

themselves. For these French manufacturers who are coming here to establish new plants or to develop old ones will have to employ their labor and carry on their entire trade under the general economic conditions prevailing in America. Even if some of their skilled operatives, accustomed to work at low wages at home, come across the seas and enter the service of their former employers here, they will sooner or later demand and receive the American wage scale. The cost of the construction or enlargement of the plants, the purchase of supplies and machinery, and all of the items that enter into general expenses will be the same for the newly-come manufacturers as they are for those manufacturers long established in this country. That fine artistic skill which is a peculiar heritage in France will operate here to the higher perfection of the silk industry of America. It will put our own manufacturers on their mettle, and this will be a good thing for the industry and the country as a whole.

The new French enterprise means unquestionably that work will be done here which is now done abroad. The investment of French capital in existing or new industrial plants is of itself a great economic advantage. Moreover, the new movement means the distribution into the channels of American trade of a considerable amount of money now expended for labor abroad, and the money paid for supplies and for all of the materials except the raw silk and other things that are necessarily imported. Thus an increased production here means, as it always has meant, an expanded domestic market; there is more work done here and there are more workers to be housed and fed and clothed.

From the very beginnings of the textile manufacture in America we have been under great obligation to Europe for skilled labor, skilled management and needed and welcomed capital. This is true of the cotton and the woolen interest as well as of the silk. Our country, with its great and expanding domestic market and its unparalleled industrial growth, has been drawing to itself year after year many of the most capable and ambitious manufacturers of Europe. These men, as a rule, have found here on our soil opportunities far greater than they could possibly have commanded in their native countries. They have contributed toward the building up of the wealth and power of the nation, and they and their children have become Americans of the Americans. The same thing is true of the skilled work-people of Europe. There cannot be too many of such immigrants.

NOT COMMITTED TO THE "INSURGENTS."

NOVEMBER 3, 1909.

EDITOR OF THE BULLETIN, *Boston, Mass.*

DEAR SIR: In the Bulletin for September on page 432 you say :

Proper note was made of the deplorable fact that the newly-formed Carded Woolen Manufacturers' Association had unwittingly committed its case to Senators Dolliver and LaFollette.

In this you make a statement that is wrong and does the Carded Woolen Association an injustice. Speaking for myself, and I think for every official of the Carded Woolen Association, I may say that we are not personally acquainted with Senator LaFollette. A number of us did meet Senator Dolliver, who was seeking information on the wool schedule, and did nothing further than to furnish him with necessary data on the wool duty.

I do not understand that the Carded Woolen Association's position was committed especially to any one, unless it might be to the fair-minded men of the House of Representatives and the Senate. I might add, however, that the Carded Woolen Manufacturers' Association feels indebted to Senators Dolliver and LaFollette and other Senators for their stand in the interest of a fair tariff on wool, and which would be in the interest of the consumer as well as the manufacturer of carded wool goods.

In this same issue of the Bulletin you state that President Whitman, in his presentation of the case before the Committee on Ways and Means on December 2, 1908, represented not only the National Association, but the Manufacturers' Club of Philadelphia and the American Association of Woolen and Worsted Manufacturers. So far as the American Association is concerned, this seems to be due to a misunderstanding, for that association decided that as an organization it did not want to take any ground whatever on the tariff. I have written to President Fletcher of the American Association of Woolen and Worsted Manufacturers in regard to the conference with a committee of the National Association in Boston, and have received the following reply :

As you were present at the meeting in Boston, you will no doubt recall that although our party were all members of the

American Association of Woolen and Worsted Manufacturers, we were, nevertheless, not present as officially representing the association, but in an individual capacity. In such capacity we stated, and I think that with the exception of yourself the sentiment was unanimous, that we approved of the action taken by Mr. William Whitman in regard to the tariff.

You will observe that in this letter President Fletcher stated that at the meeting in Boston the committee from the association acted in an individual capacity. Later, at a meeting of the association December 3, if I remember, it was suggested by Mr. Fletcher that a resolution be passed by the association approving of anything that Mr. Whitman might do on the tariff. The majority of the members present were opposed to it, and the suggestion was withdrawn. Later a card vote of the association was taken, and this was so unsatisfactory that the committee resolved to acquaint Mr. Whitman with the fact that the association would not have anything further to do with the tariff discussion.

Yours truly,

EDWARD MOIR, *President,*
The Carded Woolen Manufacturers' Association.

(It should be observed in this connection that Mr. Whitman presented his argument in Washington on December 2, and that the action of the American Association described above was taken in New York on the day following. — *Editor of the Bulletin.*)

WASHING WOOL IN AUSTRALIA.

THE scrupulous care and the ingenuity with which Australian growers washed the wool of their sheep, in the years when it was the belief that only clean wool could command a market, are well described in "Dalgety's Review":

Washing wool on the sheep's back was the general custom in the 60's and 70's. Wool was shipped "in the grease" also, but only in small quantities. If water was scarce or bad, the flocks were shorn without washing, but this was looked upon as a last resource, for growers had no mind to pay freight on greasy wool, and if there was any fall in prices the greasy wool came in for more than its share of the depression. The flock-owners, therefore, strained every nerve to accomplish the washing, and vied with each other in the get-up of their clips.

In the early days primitive methods of creek washing prevailed. A site was found on the banks of a creek or river, or even by the side of a large lagoon or waterhole, on which the wash pen was built. A strong square enclosure rudely floored and intended to hold forty or fifty sheep was first made, and a series of narrow yards led up to this. These again communicated with a large roughly-fenced yard capable of holding the flock. The wash pen would overhang the water in a tolerably deep place, so that the sheep could be plunged in from the "stage." Leading from this were water yards formed with piles and horizontal poles on a level with the water.

The first enclosure was small and square, holding from a dozen to twenty sheep. The sheep were thrown in and permitted to swim about from five to ten minutes. The sheep were then pushed under the horizontal sapling dividing the soaking pen from the next division by one of the sheep washers armed with a crutch, and rapidly turned about in the water by men stationed on the side timbers. They were passed along from one division to another by the simple process of pushing them under until the last pen was reached. Finally they reached the "long swim," which took them out on the farther bank. When the sheep staggered out they were taken in charge by the shepherd and put in small and well grassed paddocks to graze and dry at their leisure.

Day and night the shepherd would stay with them and keep them on clean thick grass, away from black stumps, bare, dirty places, yards or roads. At night they would be camped on clean grass and nothing was grudged either in attention or expense to keep the wool clean and bright until the sheep entered the shearing shed. The great object was to get the sheep into the shearing shed the moment they were dry. They would then be carefully and quietly driven to the shearing shed, and not until they were in the shed was the vigilance relaxed. A careful shepherd would cheerfully go a mile out of his way to avoid a dusty road, and if a gateway became dusty it was shut up and a fresh opening made in the fence.

On the larger stations, with 80,000 to 200,000 sheep, everything was done in a most complete and efficient manner, and the expense spread over a large number of sheep brought down the cost per head to below that of the owner of 8,000 to 10,000 sheep, and the work could be done more effectively. In some cases steam engines were installed at the wash pen to pump and heat the water, spouts were erected, under which the sheep were placed, and hot and cold water soaks or covered pens provided, soft soap and soda used in abundance, and scores of men took part in the operations. With the aid of such appliances the sheep were turned out with their fleeces white as driven snow. They were placed in a small green paddock and gently moved on to another enclosure day by day until the shearing shed was

reached. Then with 50 to 70 shearers on the board, the wool would soon be safe in the bales.

At length one or two owners tried shipping their wool in the grease with success, and soon all sheepowners followed with a rush, the reason being that buyers in London for a season or two did not make sufficient allowance for the loss in weight by scouring, and paid too much for it. According to old authorities the prices obtained were a revelation to local growers, and it is probable that old world buyers burned their fingers. The squatters knew roughly what they had been getting for the fleece of each sheep, and when they got so much more they jumped to the conclusion that it would pay them better to sell in the grease. It certainly paid them very much better until the London buyers learned to make proper allowance for the loss. Users now prefer to receive the wool in the grease, and about 90 per cent of Australasian sales are greasy wools.

AN ENERGETIC EXECUTIVE.

MR. GEORGE S. WALKER, of Cheyenne, Wyoming, the alert and industrious Secretary of both the National and the Wyoming Wool Growers Associations, has recently resigned the post of Secretary of the State Board of Sheep Commissioners of Wyoming, and his resignation is being made the text of eulogistic comment by Western newspapers. The "Shepherd's Journal" agrees with the Cheyenne State Leader that "The matter of finding a successor nearly so energetic and competent as Mr. Walker presents a difficult problem to the Board, and one possibly unsolvable, for the present Secretary has exhibited a genius for his work and his accomplishments have been remarkable." Mr. Walker was an active factor at Washington and elsewhere in securing the continuance of ample protection for the wool-growing interests in the recent revision of the tariff. He is now engaged in organizing the wool-growing interests of the Western States to impress on their Representatives in Congress the wisdom of a decent period of rest and tranquillity after the tariff agitation of the past few years. If any reopening of the wool and woollen schedule is attempted—there will be very slight chance that it can or will be even attempted—the effort is sure to be resisted by the organized influence of the stock-raising farmers of the great Western States, and they are a formidable force in national politics.

TEXTILE FACTS IN EUROPE.

THERE is a noticeable tendency on the other side of the Atlantic to gather more and more specific and comprehensive facts about the development of the textile and other manufacturing industries — a field of government endeavor in which European nations have long been conspicuously inferior to the United States. A careful census of production is being completed in Great Britain, and the first of a series of tables summarizing the preliminary results for the more important trades of the country has just been issued in a Blue Book by the Board of Trade:

Concerning cotton factories the report states that the total number of yards of cotton piece goods woven for sale was 7,029,622,000 and the value £81,854,000. As regards cotton yarn the total quantity sold as such, or manufactured for stock, included in the returns was 1,507,381,000 pounds, and the value of such yarn £79,371,000. This figure involves some amount of duplication in respect of doubled yarn, which is returned twice, once by the spinner and again by the doubler (in so far as the latter does not spin his own yarn), but the amount of such duplication is probably not considerable. It however excludes altogether yarn spun and used in the manufacture of other goods for sale by the same firm. In order, therefore, to obtain some measure of the total output of single cotton yarn a voluntary question was addressed to all the factories in this trade, and on the basis of the replies received to this question it is estimated that the total output of single yarn amounted to about 1,826,000,000 pounds. From information voluntarily returned with regard to the number of spindles it appears that the average production of cotton yarn per spindle was per mule spindle 29.5 pounds, and per ring spindle 60.5 pounds. On the basis of the value of the yarn for sale as given in the returns it would appear that the value of the whole of the yarn manufactured must have been about £96,000,000.

It is impossible, says the report, to give any figures with regard to the value of the products of the woollen and worsted trades taken as a whole. As regards weaving, however, a statement is given of the quantities and values of the principal woven goods made for sale, and may be regarded as practically complete and free from duplication. From this statement it will be seen that the value of the goods amounted to about £40,250,000. It is not possible at present to afford any estimate of the total quantity of woollen or worsted yarn spun, the voluntary information furnished by manufacturers not having been sufficiently complete for the purpose. The total value of this

yarn was returned as about £21,000,000. These figures are exclusive of the quantities of yarn spun and used in the manufacture of other goods for sale by the same firm.

The Imperial Year Book for 1909 presents the following summarized statistics for the textile industries of Germany:

Classification.	Firms.	Workmen.	Work-women.
Preparation of spinning and fiber material	1,012	11,435	11,363
Spinning	3,545	82,711	124,314
Weaving	67,484	249,718	236,738
Hair platting and weaving.....	653	2,649	1,813
Hosiery	30,842	39,280	64,716
Lace.....	27,334	26,199	53,030
Bleaching, dyeing, printing	12,191	82,481	35,614
Fringe making.....	11,570	15,216	20,099
Roping.....	5,976	15,882	7,734
Felt and blanket making.....	611	4,338	2,960
Total	161,218	529,909	558,381

Two-thirds of the factories employ motor power. Of the 1,088,000 persons employed there are 200,000 in the home-work industries.

PROTECTING IRISH LINEN.

HAND-LOOM linen weaving in Ireland, a historic industry of the country, is slowly losing ground before the increasing scope of the power-loom manufacture. Because of the household character of this hand work and its great value in providing employment for the scattered peasantry, the British government has shown much concern in endeavoring to save the industry, and a law for the compulsory marking of hand-loom woven linen goods has been enacted by the British Parliament. The purpose is to prevent the selling of power-loom goods as hand woven goods. The main provisions of the legislation are as follows:

Every piece of linen damask produced upon a hand loom must have woven in the selvage the words "Irish woven linen damask."

Every piece of cambric or linen diaper goods must have stamped or printed thereon in legible characters the words "Irish hand woven."

Any person weaving in a hand loom in Ireland any linen goods of the classes above-mentioned who fails to carry out the requirements above shall be guilty of an offence under the act.

Any manufacturer, agent, or any other person who causes or procures any person to weave in a hand loom in Ireland any linen goods of the classes above-mentioned without the proper marking shall be guilty of an offence under the act.

Any person selling or exposing for sale any goods being, or purporting to be, linen damask goods or cambric, or linen diaper goods, having woven therein or stamped or marked thereon the words "Irish hand woven" or "Irish hand made," or other words representing that the goods were woven in the hand loom in Ireland, shall, unless the goods were in fact so woven, be guilty of an offence under the act.

Any person guilty of an offence under this act shall be liable on conviction for a first offence to a penalty not exceeding £10 (\$50), and for the second or any subsequent offence to a penalty not exceeding £20 (\$100) or to imprisonment for a term not exceeding six months.

SOOTY GERMAN CITIES.

GERMAN cities engaged in textile and other manufacturing are deeply impressed with the need of clarifying and making more wholesome their smoke and dirt-laden atmosphere. American Consul Thomas H. Norton, at Chemnitz, reports:

The fact that sunshine lessens as population becomes more dense, and especially when the activity of industrial centers expands superficially and increases in intensity, has long been noted. An increasing tendency to fog has also been observed in connection with such conditions. Both results are, of course, due to the imperfect and incomplete combustion of coal.

The toll paid to this concomitant of modern industry in the injury to delicate fabrics, the general depreciation in the value of many articles of trade and household use, and the increased cost of cleansing has been roughly computed in many cities. Now that more attention is paid to healthful environment, and since the battle is waged with growing energy against tuberculosis, physicians and students of social science feel that the problem of purer air for the dwellers in cities has become one of prime importance. Statistics have been collected for some time past which demonstrate how little sunshine falls to the lot of the residents of industrial cities. Thus Chemnitz enjoys during the months of December and January but 156 hours of sunshine out of the 508 which are theoretically possible, or only 30 per cent. During the entire year the sun shines here during

only 44 per cent of the number of hours when it is above the horizon. A few cities are still worse off. In Hamburg the percentage is 28, in Magdeburg 36, in Leipzig 41, and in Zurich 42. These figures do not, however, indicate the entire loss of sunshine to a resident in a manufacturing city. Even when the sun is unobscured by cloud or fog as much as two-thirds of the solar rays are absorbed by smoke particles.

In no German city has the loss of sunshine due to fog yet equaled that prevalent in London, where the foggy days during the three months, December, January, and February, have increased from 18 to 31 during the last half of the past century.

GOATS IN ASIA MINOR.

An interesting account of the goat herds of Asia Minor and of the large part they play in the sustenance and clothing of the people is published in the Consular and Trade Reports of the United States from Consul General Ernest L. Harris of Smyrna. Mr. Harris says :

It has been said that the goat, more than any other factor, has assisted the rural inhabitants of Asia Minor to destroy the magnificent forests which once extended from Smyrna through to Konia, the ancient capital of Karamania. Not only have the peasants and nomads destroyed the timber for the sake of firewood, but they destroyed it also in order that their goats might obtain suitable pasture. And the goats in their turn prevented the new shoots ever after from replacing the trees which had been cut down.

Goats, therefore, compose one of the chief sources of wealth of the country people, and on account of the dry, saltish ingredients of the soil of the interior highlands is the animal which is best adapted to rear on the least amount of money. They are also able to withstand the great extremes of heat and cold known to the plateaus of Asia Minor. In summer they wander with their owners over a vast extent of territory, and in winter they are sheltered in droves in rude sheds of skins and bark. Goats in this country usually belong to Turks, Kurds, and Yuruks, who, apart from the milk and flesh, prize the animal on account of its hair, which is becoming an increasing article of commerce from year to year.

The price of a goat, unless it be a genuine Angora, is about the same as that of a sheep. At feasts and barbecues, which take place on all the religious and national holidays of Turks and Greeks, the goat takes a conspicuous part. The black goat species is shorn once a year, and the hair is used in making sacks for carrying olive oil and figs to the markets of Smyrna

and Constantinople. The finest kind of leather is also made from the skin of the Brousa and Karahissar goat, and it is sold principally to dealers in Vienna and Leipzig.

Apart from the local use of goat hair and skin, large quantities are exported to foreign countries. The number of goats in Asia Minor is estimated at 3,000,000, and the value of the mohair annually produced is placed at nearly \$4,000,000. Small quantities only are shipped through Smyrna, Constantinople being the chief center of the trade, which is practically monopolized by English merchants, who keep Bradford dealers and manufacturers well supplied with Turkish mohair.

THE ANGORA GOAT.

The goat of Angora is famous the world over. Its native home is not the district of Angora alone, but it is to be found on the slopes and in the valleys of a great stretch of country which extends southwards through the heart of Anatolia. Its hair or wool is indispensable in the manufacture of manifold varieties of textiles. In Smyrna, even, mohair is used in the production of certain grades of carpets. Two hundred years ago the Angora goats of Armenia supplied the finest texture for making wigs, which were commonly worn in those days by Europeans, and especially was this the custom at the various courts. Anatolian mohair is used in making alpaca cloth for umbrellas, and it also enters largely into the make-up of certain cloaks and overcoats. Many yarns are made from the soft fibers. There are also some rather primitive sack-making industries in the interior of the country which cater to the tobacco trade by supplying dealers with high-class sacks for exporting the seasoned leaves. It will thus be seen that mohair is adapted to many forms of usefulness.

Once there was a considerable weaving industry in Angora. As far back as 1812 no less than 1000 hand looms furnished employment to 10,000 weavers. But for fifty years this industry has been dead. With the introduction of high-class machines manipulated by skilful hands in the textile factories of Europe the manufacturers of Angora at once succumbed to the competition, and mohair and camel hair is now exported by Armenian traders as a raw product. I understand that after Bradford the factories of Roubaix, in France, consume the largest quantities of mohair. Of course it must not be understood that European competition has completely crushed out the home weaving industry. Such is not the case. Even in Angora an extensive house industry still exists. Shawls and robes are still produced in large quantities and are much prized on account of their durability and originality of design. All over Asia Minor, in fact, one sees peasant and Yuruk women sitting in their primitive houses or goatskin tents busily engaged in weaving some article for the nearest bazaar.

Many attempts have been made to transplant the Angora goat

to other countries. In 1890 it was sent to Mont-Dore, in France, and Escorial, in Spain. Something like thirty years ago some high-class Angoras were smuggled out of the country at great expense and sent to Cape Colony and Natal. South African wool now successfully competes with Turkish mohair in the world's markets, although for softness of texture and durability generally the product of Asia Minor is greatly superior.

THE TEXTILE DIRECTORIES.

THE "Official American Textile Directory," compiled by the Lord & Nagle Company, 144 Congress street, Boston, Mass., is as complete and exact as ever in its issue for 1909-1910. It covers all the textile manufacturing establishments of the United States, Canada, and Mexico, and presents also a yarn trade index and lists of concerns in lines of business selling to or buying from textile mills. The preparation of this indispensable volume is performed by the staff of the "Textile World Record," and represents a great amount of untiring industry. The most essential particulars about each textile concern are presented in a compact paragraph, and the typographical make-up of the book is such that any desired information can readily be found. The present issue represents the fifteenth year of publication.

"Dockham's Textile Directory" for 1909 is a large, clearly-printed volume. There is a complete enumeration of textile manufacturers in the United States and Canada, of the cotton and wool dealers, of the dry goods and commission houses, of the exporters and importers, and of the yarn dealers. There is much useful statistical information as to the textile machinery of the United States. The main facts about every textile establishment are simply stated. This is the forty-third year and the twenty-second edition of Dockham's. The address is the Dockham Publishing Company, 6 Beacon street, Boston, Mass.

JUTE PROSPECTS IN INDIA.

AMERICAN textile manufacturers will be interested in the fact that the final forecast by the Indian Government of the jute crop for the next season estimates the total acreage sown at 2,732,700, as against 2,856,700 the year before. However, this decreased acreage is expected to yield a somewhat larger out-

turn, according to this government report as summarized in the London "Financial Times":

The outturn is estimated at 7,206,584 bales, as against 6,310,800 bales last year. In addition, there are 89,000 bales estimated from Madras and other outlying districts, making a total of 7,295,580 bales. The acreage sown is the smallest for a number of years past, the revised estimate for 1907 putting that year's acreage as high as 3,974,300 acres. The yield anticipated is slightly larger than was looked for lately, but it is much under what will be required to meet the estimated demands of the world's trade. The total consumption of jute during the year 1909-10 is estimated at 9,010,000 bales on the basis of full time working, which compares with 6,900,000 bales in 1904, 4,800,000 bales in 1894, 3,750,000 bales in 1884, and 2,560,000 bales in 1874. It will be interesting to show how this largely increased consumption is accounted for, and the estimated requirement of the world during the season 1909-10 is detailed in the following table:

	Bales.		Bales.
Scotland	1,200,000	Holland	30,000
England	20,000	Spain	120,000
Ireland	25,000	Italy	220,000
France	600,000	United States, etc.....	650,000
Belgium	100,000	Indian mills	4,300,000
Germany	700,000	Local Indian consump-	
Austria	285,000	tion	500,000
Norway and Sweden.....	60,000		
Russia	200,000	Total	9,010,000

Comparing the estimate for the current season with the 1894 figures it is found that of a total increase of 4,210,000 bales the United Kingdom is responsible for only 45,000 bales, while Continental requirements have increased from 1,100,000 bales to 2,315,000 bales. The United States and other countries also require 650,000 bales, as against 500,000 bales. The great increase in the outturn of the Indian mills is, however, the outstanding feature of the statistics, amounting as it does to 2,800,000 bales.

Although the estimated outturn of the crop is considerably below the anticipated requirements of manufacturers, it is not expected that there will be a serious shortage, or, indeed, any shortage at all, of raw material, as there is a stock which has been carried over from the past season of between 1,250,000 bales and 1,500,000 bales. There is very little old crop left, so that practically the whole of this stock would appear to be held on this side. As a matter of fact, it is known that a very large block of it is held in Dundee, it being very seldom indeed that there is so much jute in store there at this season of the year. If trade is anything like satisfactory during the coming winter

and spring — and the prospects are now shaping more definitely in favor of greater activity — the stocks all over will be materially reduced, and it is anticipated that a year hence they will be considerably less than now. The American demand has latterly been the most encouraging factor, and as it is known that merchants there are short of cloth, a still more liberal stream of orders is anticipated in the early future. It is rather early to speculate on the quality of the new crop, but taking all the circumstances into account spinners seem to be of opinion that the jute will be well grown. Compared with a year ago, the price of jute is fully £2 (\$9.73) per ton cheaper. Dundee manufactures were heavily bought at the higher level, involving serious loss to many firms, this being accounted for to a great extent by the serious discrepancy between the final forecast and the actual turnout last year. The very narrow margin between supply and demand is likely to make its influence felt on prices a few months hence, and should there be any marked increase in the demand a still higher level of prices might be very easily attained.

QUARTERLY REPORT OF THE BOSTON WOOL MARKET FOR JULY, AUGUST, AND SEPTEMBER, 1909.

DOMESTIC WOOLS. (GEORGE W. BENEDICT.)

	1909.			1908.
	July.	August.	September.	September.
OHIO, PENNSYLVANIA, AND WEST VIRGINIA.				
(WASHED.)				
XX and above	36 @ 37	36 @ 37	36 @ 37	33
X	35	35	35	31
1/2 Blood	41 @ 42	41 @ 42	41 @ 42	34
"	40	40	40	33
"	38 @ 39	38 @ 39	38 @ 39	32
Fine Delaine	40 @ 41	40 @ 41	40 @ 41	35
(UNWASHED.)				
Fine	27 @ 28	27 @ 28	27 @ 28	22
1/2 Blood	36 @ 37	36 @ 37	36 @ 37	26
"	36	36	36 @ 37	26
"	34 @ 35	34 @ 35	34 @ 35	25
Fine Delaine	33	33	33	27
MICHIGAN, WISCONSIN, NEW YORK, ETC.				
(WASHED.)				
Fine	40 @ 41	40 @ 41	40 @ 41	33
1/2 Blood	39 @ 40	39 @ 40	39 @ 40	32
"	38	38	38	31
Fine Delaine	39	39	39	34
(UNWASHED.)				
Fine	26 @ 27	26 @ 27	26 @ 27	21
1/2 Blood	35 @ 36	35 @ 36	35 @ 36	25
"	35	35	35 @ 36	24
"	33 @ 34	33 @ 34	34	23
Fine Delaine	32 @ 33	32 @ 33	32 @ 33	26
KENTUCKY AND INDIANA.				
(UNWASHED.)				
1/2 Blood	35 @ 36	36 @ 37	36 @ 37	25
"	34 @ 35	34 @ 35	34 @ 35	24
Braid	28 @ 29	29 @ 30	30	20
MISSOURI, IOWA, AND ILLINOIS.				
(UNWASHED.)				
1/2 Blood	33 @ 34	33 @ 34	33 @ 34	24
"	31 @ 32	31 @ 32	32 @ 33	23
Braid	28 @ 29	29 @ 30	30	20
TEXAS.				
(SCOURD BASIS.)				
Spring, fine, 12 months	70 @ 72	75 @ 77	76 @ 78	53
" " 6 to 8 months	62 @ 64	65 @ 67	67 @ 68	46
" " medium, 12 months	62 @ 63	65 @ 66	65 @ 67	46
" " 6 to 8 months	55 @ 57	58 @ 60	60 @ 62	41
Fall, fine	57 @ 58	58 @ 60	60 @ 61	42
" " medium	52 @ 53	53 @ 55	53 @ 55	40
CALIFORNIA.				
(SCOURD BASIS.)				
Spring, Northern, free, 12 months	65 @ 67	68 @ 70	68 @ 70	47
" " " 6 to 8 months	62 @ 63	63 @ 65	63 @ 65	42
Fall, free	52 @ 53	52 @ 55	53 @ 55	33
" defective	38 @ 42	40 @ 45	40 @ 45	27
TERRITORY WOOL: Montana, Wyoming, Utah, Idaho, Oregon, etc.				
(SCOURD BASIS.)				
Staple, fine and fine medium	72 @ 75	75 @ 78	75 @ 78	57
" " medium	65 @ 68	70 @ 73	70 @ 73	50
Clothing, fine	68 @ 70	70 @ 72	70 @ 72	48
" " " medium	65 @ 67	67 @ 70	67 @ 70	46
" " " medium	63 @ 65	65 @ 67	65 @ 67	42
NEW MEXICO. (Spring.)				
(SCOURD BASIS.)				
No. 1	65 @ 67	67 @ 70	67 @ 70	49
No. 2	55 @ 57	57 @ 60	57 @ 60	41
No. 3	45 @ 47	47 @ 50	47 @ 50	28
No. 4	41 @ 43	43 @ 45	43 @ 45	25
NEW MEXICO. (Fall.)				
(SCOURD BASIS.)				
No. 1	53 @ 55	55 @ 57	55 @ 57	40
No. 2	47 @ 49	49 @ 52	49 @ 52	33
No. 3	42 @ 45	45 @ 48	45 @ 46	26
No. 4	38 @ 40	40 @ 42	40 @ 42	23
GEORGIA AND SOUTHERN.				
Unwashed	32	32 @ 33	32 @ 33	23

DOMESTIC WOOL.

Boston, September 30, 1909.

Seldom has the wool trade experienced three months of more satisfactory business than during the quarter just passed, embracing the period from July 1st to October 1st.

Perhaps the most prominent factor in the above conditions was the passage of the Payne Tariff Bill early in August, which by its provisions insured prosperity for a few years at least to the wool raisers as well as to the wool users.

For some time past textile manufacturers have been keenly alive to the unmistakable signs of business improvement throughout the country, pointing to a tremendous consumption of manufactured goods, and consequently they have realized that it was not only prudent but necessary to anticipate their wants to a moderate extent in buying their stock of raw material. While there has been a comparatively steady demand for wool during the whole quarter, some weeks have been marked by an unprecedentedly large volume of business, notably in August, when record sales were made to some of the more prominent worsted and woolen manufacturers.

The substantial advance in values made during the spring months has held well, and in case of staple grades of territory wools new high marks have been recorded, which have not been equaled for many years. Fine staple territory wool has sold at from 78 to 80c., which seems relatively too high in comparison with the corresponding grades of Australian wool valued at 83 to 85c. On the other hand, one hears the argument (which has some sound basis) that when the additional machinery now being installed is in operation, our consumption of wool will be increased from 20 to 25 per cent, which certainly means keen competition and strong prices for the remainder of the present clip, at least. As one large manufacturer has recently stated, the only possible check to business in manufactured goods may come from an overproduction; but this is entirely unlikely in the near future.

Notwithstanding the exceptionally large arrivals of wool in the Boston market this season, it is conservatively estimated that owing to the heavy transfers to date, the stock of wool now offering here is probably no larger than one usually finds two or three months later. Good scoured wools are in very light supply and are held at strong prices.

GEO. W. BENEDICT.

PULLED WOOLS. (*Scoured basis.*) (W. A. BLANCHARD.)

	1909.			1908.
	July.	August.	September.	September.
Brushed, Extra	72 @ 75	72 @ 76	73 @ 77	53 @ 60
Fine A	65 @ 68	66 @ 68	67 @ 70	45 @ 50
A Super	60 @ 63	60 @ 64	62 @ 65	40 @ 43
B Super	52 @ 56	53 @ 57	54 @ 58	32 @ 35
C Super	34 @ 37	35 @ 38	35 @ 40	20 @ 25
Fine Combing	65 @ 68	65 @ 68	65 @ 70	48 @ 52
Combing	52 @ 58	53 @ 58	53 @ 60	38 @ 42
California, Extra	65 @ 70	66 @ 70	68 @ 72	47 @ 52

REMARKS.

OCTOBER 1, 1909.

The market throughout the quarter has shown uniform strength and activity. Lacking a speculative movement, wools have in the main been taken by manufacturers; and the woolen mills, following an improved demand for their fabrics, have once more become interested in medium and low pulled wools. Beginning with the September pulling worsted spinners have competed for standard B lambs with the result of advancing values. C lambs have been somewhat slow of sale by reason of large offerings of East India wools, better in color and staple and lower in price.

In spite of the continuous demand for most grades of pulled wools, many pullers being sold up to October 1, the extreme prices for pelts have been a serious drawback to profitable business.

W. A. BLANCHARD.

FOREIGN WOOLS. (MAUGER & AVERY.)

	1909.			1908.
	July.	Aug.	Sept.	Sept.
Australian Combing:				
Choice	43 @ 45	43 @ 45	43 @ 45	41 @ 42
Good	40 @ 41	40 @ 41	40 @ 41	39 @ 40
Average	39 @ 40	39 @ 40	39 @ 40	37 @ 38
Australian Clothing:				
Choice	42 @ 43	42 @ 43	42 @ 43	41 @ 42
Good	40 @ 41	40 @ 41	40 @ 41	39 @ 40
Average	38 @ 40	38 @ 40	38 @ 40	37 @ 39
Sydney and Queensland:				
Good Clothing	40 @ 41	40 @ 41	40 @ 41	38 @ 40
Good Combing	42 @ 43	42 @ 43	42 @ 43	40 @ 41
Anatralian Crossbred:				
Choice	41 @ 43	41 @ 43	42 @ 43	35 @ 37
Average	36 @ 38	36 @ 38	36 @ 38	30 @ 32
Australian Lambs:				
Choice	42 @ 46	42 @ 46	42 @ 46	42 @ 44
Good	40 @ 43	40 @ 43	40 @ 43	40 @ 42
Good Defective	35 @ 38	35 @ 38	35 @ 38	32 @ 34
Cape of Good Hope:				
Choice	35 @ 37	35 @ 37	35 @ 37	32 @ 34
Average	32 @ 33	32 @ 33	32 @ 33	29 @ 30
Montevideo:				
Choice	34 @ 36	34 @ 36	34 @ 36	30 @ 31
Average	31 @ 32	31 @ 32	31 @ 33	29 @ 30
Crossbred, Choice	34 @ 35	35 @ 36	36 @ 38	28 @ 29
English Wools:				
Sussex Fleece	42 @ 43	42 @ 43	43 @ 44	35 @ 37
Shropshire Hogs	41 @ 42	41 @ 42	42 @ 43	34 @ 35
Yorkshire Hogs	34 @ 35	34 @ 35	35 @ 36	32 @ 34
Irish Selected Fleece	34 @ 35	34 @ 35	36 @ 37	32 @ 34
Carpet Wools:				
Scotch Highland, White	21 @ 22	22 @ 23	22 @ 23	14 @ 15
East India, 1st White Joria	27 @ 29	28 @ 29	29 @ 30	24 @ 25
East India, White Kandahar	25 @ 26	25 @ 27	26 @ 27	22 @ 24
Donskoi, Washed, White	31 @ 33	32 @ 34	32 @ 34	26 @ 28
Aleppo, White	31 @ 33	32 @ 34	32 @ 34	26 @ 28
China Ball, White	20 @ 21	21 @ 22	22 @ 23	16 @ 18
" " No. 1, Open	20 @ 21	20 @ 21	20 @ 21	16 @ 18
" " No. 2, Open	12 @ 14	12 @ 14	12 @ 14	15 @ 16

FOREIGN WOOLS.

The steady demand reported by us during the first six months of the year for all descriptions of foreign wools continued through July, August, and September. The character of the demand changed somewhat after mid-summer and the preference seemed to be almost altogether for crossbred wools, though there was still a very limited inquiry for the very finest Australian clothing wools.

English wools have steadily found a market here, of which quite a percentage are from Ireland.

The inquiry for carpet wools has improved, but owing to the high cost of Asiatic wools, manufacturers have turned to Scotch wools largely.

It is interesting to notice some of the changes in the current of trade in foreign wools. A few years ago Russia was an exporter of merino wools, as well as carpet wools. To-day she not only consumes her merino wools, but imports largely of merino, as well as coarse wools. Factories have been erected in Turkey for the manufacture of yarns, which consume not only native, but Persian wools as well. With the awakening of China, a larger home consumption of China wool may be expected. The importations of China wools into the United States for nine months ending September 30th were 32,555,828 pounds.

MAUGER & AVERY.

BOSTON, October 1, 1909.

IMPORTS OF WOOL AND MANUFACTURES OF WOOL.

Entered for Consumption, Years ending June 30, 1908 and 1909. Quantities, Values, Rates of Duty, and Accruing Duties.

From the Annual Report on Commerce and Finance by the Chief of the Bureau of Statistics, Department of Commerce and Labor.

ARTICLES.	Rates of duty.	1908.				1909.				Average.	
		Quantities.	Values.	Duties.	Quantities.	Values.	Duties.	Quantities.	Values.	Value per unit of quantity.	Ad valorem rate of duty.
Wool, hair of the camel, goat, alpaca, or other like animals:											
Class 1.—Merino, mestiza, metz, or metis wools, or other wools of merino blood, immediate or remote, down clothing wools, etc., and all wools not hereinafter included in classes two and three—											
Unwashed wool—											
On the skin (pounds)	10 cents per pound,	675,338.70	125,564.00	67,533.87	1,547,881.00	213,012.00	154,788.10	1,547,881.00	213,012.00	.137	72.66
Not on the skin (pounds)	11 cents per pound,	59,946,667.00	14,289,012.00	6,594,133.37	98,399,649.13	20,387,760.89	10,822,961.41	98,399,649.13	20,387,760.89	.207	53.09
Washed wool—											
On the skin (pounds)	21 cents per pound,	45.00	26.00	9.90	41.00	6.00	8.61	41.00	6.00	.146	143.50
Not on the skin (pounds)	22 cents per pound,	165.00	19.00	54.45	16,547.00	1,784.00	3,640.34	16,547.00	1,784.00	.108	204.05
Scoured wool (pounds)	33 cents per pound,				2,011.50	176.00	663.80	2,011.50	176.00	.087	377.16
Total, Class 1		60,622,215.70	14,414,621.00	6,661,731.39	99,966,129.63	20,602,738.69	10,983,062.26	99,966,129.63	20,602,738.69	.206	53.31
Class 2.—Leicester, Cotswold, Lincolnshire, down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used, and also hair of the camel, Angora goat, alpaca and other like animals—											
Wool, washed and unwashed—											
On the skin (pounds)	11 cents per pound,	34,849.01	9,568.06	3,833.39	386,366.85	71,949.69	42,500.36	386,366.85	71,949.69	.186	59.07
Not on the skin (pounds)	12 cents per pound,	9,901,551.33	2,615,481.95	1,188,186.16	16,199,294.00	3,391,162.06	1,943,915.28	16,199,294.00	3,391,162.06	.209	57.32
Scoured wool (pounds)	35 cents per pound,	110.00	37.00	39.60	16.00	35.00	5.76	16.00	35.00	2.188	16.46

Camel's hair— Washed and unwashed (pounds) Scoured (pounds) Hair of the Angora goat, alpaca, and other like animals— Washed and unwashed (pounds) Sorted (pounds)	12 cents per pound, 36 cents per pound,	89,903.00	24,949.00	10,788.36	15.00	14.90	5.40	.933	38.57
	12 cents per pound, 24 cents per pound,	1,468,800.00	515,249.00	176,256.00	6,521.00	456,045.00	155,946.30	.352	34.20
						3,608.00	1,565.04	.553	43.38
	Total, Class 2	11,493,213.34	3,165,283.01	1,379,103.51		3,922,813.75	2,143,938.14	.219	54.65
Class 3—Donkoi, native South American, Cordova, Valparaíso, native Smyrna, Russian camel's hair, etc. Valued 12 cents or less per pound— Wool, washed and unwashed— On the skin (pounds) Not on the skin (pounds) Scoured (pounds) Camel's hair, Russian, washed and unwashed (pounds) Valued over 12 cents per pound— Wool, washed and unwashed— On the skin (pounds) Not on the skin (pounds) Scoured (pounds) Camel's hair, Russian, washed and unwashed (pounds)	3 cents per pound, 4 cents per pound, 12 cents per pound,	850,149.00 34,965,942.50 255,574.00	77,180.57 3,065,311.40 29,647.00	25,504.48 1,395,613.70 10,222.96	805,451.60 76,807,986.00 3,358,490.00	61,922.71 7,863,221.00 367,318.00	24,163.55 3,072,319.44 134,339.60	.077 .102 .200	39.02 39.06 60.02
	4 cents per pound, 6 cents per pound, 7 cents per pound, 21 cents per pound,								
	7 cents per pound,	964,289.00	141,818.00	67,500.23	782,103.00	155,727.00	54,747.21	.199	35.16
Total, Class 3		63,853,478.16	9,140,306.97	3,379,110.02	91,306,228.15	10,323,356.71	3,954,745.54	.112	38.66
Total classes one, two, and three		135,970,907.10	26,720,212.98	11,419,945.12	209,164,123.13	34,757,909.15	17,081,745.94	.166	49.14
Wool and hair advanced in any manner, or by any process of manufacture, beyond the washed or scoured condition, not specially provided for— Valued at not more than 40 cents per pound (pounds) Valued above 40 and not above 70 cents per pound (pounds) Valued at over 70 cents per pound (pounds)	33 cents per pound and 50 per cent.				1,696.50	598.00	858.84	.353	143.62
	44 cents per pound and 50 per cent.				506.75	248.00	346.97	.489	139.91
	44 cents per pound and 55 per cent.	401.75	707.54	565.92	45.00	33.00	37.95	.733	115.00
	Total, advanced	401.75	707.54	565.92	2,245.25	879.00	1,243.76	.391	141.50
Total wool, etc., unmanufactured		135,971,308.85	26,720,920.52	11,420,511.04	209,166,371.38	34,758,788.15	17,082,989.70	.166	49.12

Imports of Wool and Manufactures of Wool, entered for Consumption, Years ending June 30, 1908 and 1909. Quantities, Values, Rates of Duty, and Accruing Duties. — Continued.

ARTICLES.	Rates of duty.	1908.				1909.			
		Quantities.	Values.	Duties.	Quantities.	Values.	Duties.	Value per unit of quantity.	Average. Ad valorem rate of duty.
Wool, hair of the camel, etc.— <i>Continued.</i> Manufactures composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals —									
Rags, mungo, flecks, noils, shoddy, and waste —									
Noils (pounds)	20 cents per pound	167,107.00	Pollars. 70,026.00	Pollars. 33,421.40	127,965.00	Pollars. 49,754.00	Pollars. 25,593.00	Pollars, Pr. ct. .388 51.44	
Rags and flecks (pounds)	10 cents per pound	33,972.00	11,675.00	3,397.20	32,773.00	9,232.00	3,277.30	.282 35.50	
Shoddy (pounds)	25 cents per pound	20.00	5.00	5.00	10.00	2.00	3.00	.200 150.00	
Wastes, scrubbing, ring, and garnetted (pounds)	30 cents per pound	248.00	87.00	74.40	244.00	74.00	73.20	.303 98.93	
Wastes, top and roving (pounds)	30 cents per pound	100.00	31.00	30.00					
Wool extract, yarn, thread, and all other wastes not specially provided for (pounds)	20 cents per pound,	69,733.00	27,780.90	13,946.60	89,601.00	35,737.00	17,920.20	.399 50.14	
Total rags, mungo, flecks, noils, etc.		271,180.00	109,604.00	50,874.60	250,593.00	94,799.00	46,866.70	.378 49.44	
Yarns, made wholly or in part of wool —									
Valued not more than 30 cents per pound (pounds)	27½ cents per pound and 40 per cent.	25.25	6.38	9.51	29.50	7.80	11.23	.264 143.97	
Valued more than 30 cents per pound (pounds)	38½ cents per pound and 40 per cent. .	193,595.72	150,651.33	134,794.94	299,224.35	246,331.56	213,734.18	.823 86.77	
Total yarns		193,620.97	150,657.71	134,804.45	299,253.85	246,339.36	213,745.41	.823 86.77	

Blankets —									
Valued not more than 40 cents per pound (pounds)	1,761.11	587.50	1,472.00	521.00	480.14	.354	92.16		
Ditto (from Philippine Islands)				8.00				1.77	.250 88.50
Valued more than 40 and not more than 50 cents per pound and 30 per cent.	1,689.62	809.25	418.00	196.55	206.73	.470	105.18		
Valued at more than 50 cents per pound (pounds)	18,680.80	23,097.52	15,403.82		14,358.18	1,067	70.92		
Ditto (reciprocity treaty with Cuba)	6.00	11.00	5.10						
Ditto (duty remitted)			12.00	6.00		.500			
More than 3 yards in length —									
Valued not more than 40 cents per pound (pounds)	305.00	69.00	135.15		1,023.85	.232	192.09		
Valued more than 40 and not more than 70 cents per pound (pounds)	2,824.85	1,723.00	2,104.44		2,945.56	.635	119.32		
Valued more than 70 cents per pound (pounds)	2,682.80	2,707.85	2,669.76		1,869.44	1.084	95.59		
Total blankets	27,650.18	29,005.12	21,722.92	28,863.95	29,885.67	.898	80.55		
Carpets and carpeting —									
Autusson, Axminster, moquette, and chenille carpets (square yards)	17,597.75	41,003.00	26,959.35		38,520.59	1.785	73.61		
Brussels carpets (square yards)	2,839.63	3,803.00	2,770.64		7,567.33	1.366	72.47		
Carpets woven whole for rooms, and Oriental, Berlin, Autusson, Axminster, and other similar rugs (square yards)	627,842.80	2,748,384.30	1,664,492.42		2,185,784.66	4.183	61.52		
Ditto (reciprocity treaty with Cuba)	1.00	4.00	2.00						

Imports of Wool and Manufactures of Wool, entered for Consumption, Years ending June 30, 1908 and 1909. Quantities, Values, Rates of Duty, and Accruing Duties. — Continued.

ARTICLES.	Rates of duty.	1908.				1909.				Average. Value per unit of quantity. Ad valorem rate of duty.
		Quantities.	Values.	Duties.	Quantities.	Values.	Duties.	Quantities.	Values.	
Wool, hair of the camel, etc. — <i>Continued</i> . Manufactures composed wholly or in part of wool, worsted, etc. — <i>Continued</i> . Carpets and carpeting. — <i>Continued</i> . Druggists and bookings, printed, colored, or otherwise (square yards)	22 cts. pr. sq. yd. and 40 per cent.	21,899.00	18,007.00	Dollars. 12,020.58	18,285.00	Dollars. 14,371.00	Dollars. 9,771.10	18,285.00	Dollars. 14,371.00	Dolls. Pr. ct. .786 67.99
Felt carpeting (square yards)	50 per cent.	47.00	23.00	11.50	54.50	67.00	33.50	54.50	67.00	1.229 50.00
Saxony, Wilton, and Tournay velvet carpets, square yards	60 cts. pr. sq. yd. and 40 per cent.	10,310.85	34,545.00	23,604.51	13,059.68	28,463.00	19,221.01	13,059.68	28,463.00	2.180 67.53
Tapestry Brussels, printed on the warp or other- wise (square yards)	25 cents per sq. yd. and 40 per cent.	353.50	422.00	267.78	76.00	353.10	166.48	76.00	353.10	4.776 45.86
Treble ingrain, three-ply, and all chain Venue- tian carpets (square yards)	22 cts. pr. sq. yd. and 40 per cent.	13,584.00	11,203.00	7,469.68	17,576.00	15,373.00	10,045.92	17,576.00	15,373.00	.875 65.15
Velvet and tapestry velvet carpets, printed on the warp or otherwise (square yards)	40 cts. pr. sq. yd. and 40 per cent.	24,140.88	51,817.00	30,383.15	20,566.76	36,912.00	23,111.50	20,566.76	36,912.00	1.769 62.61
Wool, Dutch, and two-ply ingrain carpets (square yards)	18 cts. pr. sq. yd. and 40 per cent.	829.00	1,291.00	665.62	768.00	675.00	408.24	768.00	675.00	.879 60.48
Carpets of wool, or in part of, not specially pro- vided for (square yards)	50 per cent.	27,913.96	38,827.50	19,413.75	30,929.05	36,393.25	18,196.63	30,929.05	36,393.25	1.180 50.00
Mats, rugs for floors, screens, covers, lassocks, bed-lides, art squares, and other portions of carpets and carpeting, not specially provided for (square yards)	50 per cent.	37.00	56.00	28.00	.....	.....	.....	.....	.....	.....
Total carpets and carpeting . . . . .	.....	747,396.46	2,949,585.80	1,788,089.48	987,999.57	3,748,556.05	2,312,796.96	987,999.57	3,748,556.05	3.79 61.70

Cloths, woollen or worsted — Valued not more than 40 cents per pound (pounds)	51,820.85	19,608.00	26,904.90	10,099.25	3,733.25	5,199.39	.370	139.27
Valued more than 40 cents and not more than 70 cents per pound (pounds)	205,002.90	124,288.50	152,345.54	266,510.73	167,143.91	200,836.68	.627	120.16
Valued above 70 cents per pound (pounds) . .	4,061,125.05	4,455,376.42	4,237,351.88	4,196,019.18	4,606,561.10	4,379,257.57	1.008	95.08
Ditto (from Philippine Islands)	1.38	1.00	.87	3.00	5.00	3.06	1.667	61.20
Valued above 70 cents per pound (pounds) (reel- proctery treaty with Cuba) . . . . .	. . . . .	. . . . .	. . . . .	2.75	4.00	2.73	1.455	68.25
Total cloths, etc. (pounds)	4,317,950.18	4,599,273.92	4,416,603.19	4,472,634.91	4,777,447.26	4,585,899.43	1.068	95.99
Dress goods, women's and children's, coat linings, Italian cloths, and goods of similar descrip- tion — The warp consisting wholly of cotton or other vegetable materials, with the remainder of the fabric composed wholly or in part of wool — Valued not exceeding 15 cents per square yard and not above 70 cents per pound (square yards)	10,421,577.91	1,577,687.00	1,368,353.96	9,326,173.25	1,140,572.00	1,223,118.14	.122	107.24
Valued not exceeding 15 cents per square yard and above 70 cents per pound (square yards)	1,436,406.50	200,719.00	210,950.21	995,129.00	143,384.00	148,520.21	.145	103.58
Valued above 15 cents per square yard and not above 70 cents per pound (square yards) . .	222,815.75	36,371.80	36,011.16	176,134.00	29,735.00	28,958.22	.109	97.39
Valued above 15 cents per square yard and above 70 cents per pound (square yards) . .	7,694,318.35	1,594,901.51	1,492,790.79	4,630,642.60	945,119.00	890,266.84	.204	94.20
Weighting over 4 ounces per square yard — Valued not more than 40 cents per pound (pounds)	638.00	241.00	331.04	91.00	34.00	47.03	.374	138.32

Imports of Wool and Manufactures of Wool, entered for Consumption, Years ending June 30, 1908 and 1909. Quantities, Values, Rates of Duty, and Accruing Duties. — Continued.

ARTICLES.	Rates of duty.	1908.				1909.			
		Quantities.	Values.	Duties.	Quantities.	Values.	Duties.	Value per unit of quantity.	Average.
Wool, hair of the camel, etc. — <i>Continued.</i>									
Manufactures composed wholly or in part of wool, worsted, etc. — <i>Continued.</i>									
Dress goods, women's and children's, etc. — <i>Cont.</i>									
Valued more than 40 and not more than 70 cents per pound (pounds)	44 cents per pound and 50 per cent.	8,570.75	5,009.00	6,275.63	218,823.00	140,686.00	166,615.12	.642	118.45
Valued more than 70 cents per pound (pounds), 44 c. p. lb. & 55 p. c.		177,493.86	181,175.85	177,744.03	1,866,690.25	1,743,101.00	1,775,649.15	.939	101.87
Composed wholly or in part of wool —									
Valued not above 70 cents per pound (square yards)	11 cts. per sq. yd. and 50 per cent.	38,152.00	6,741.00	7,567.22	44,397.00	7,207.40	8,487.37	.162	117.76
Valued above 70 cents per pound (square yards), 11 cts. per sq. yd. and 55 per cent.		16,539,057.93	3,816,326.70	3,918,276.24	13,061,475.26	2,802,906.61	2,978,360.89	.215	106.26
Bitto from Philippine Islands	75 per cent of above.				11.00	2.00	1.73	.181	86.50
Weighing over 4 ounces per square yard —									
Valued not more than 40 cents per pound (pounds)	33 cents per pound and 50 per cent.				134.50	51.00	69.89	.380	137.04
Valued more than 40 and not more than 70 cents per pound (pounds)	44 cents per pound and 50 per cent.	126,915.00	80,591.00	96,138.10	2,420.00	1,541.00	1,835.30	.637	119.10
Valued more than 70 cents per pound (pounds), 44 c. p. lb. & 55 p. c.		1,940,343.25	1,935,834.00	1,918,415.73	54,183.66	64,965.00	59,571.56	1.200	91.70
Total dress goods			9,135,687.86	9,232,854.11		7,019,284.01	7,281,501.45		103.74
Felts not woven (pounds)	44 c. p. lb. & 60 p. c.	41,166.75	51,876.26	49,239.13	83,889.81	99,658.70	96,706.69	1.187	97.04
Flannels for underwear —									
Valued not more than 40 cts. per pound (pounds)	22 c. p. lb. & 30 p. c.	30.14	10.00	9.63					
Valued more than 40 and not more than 50 cents per pound (pounds)	33 c. p. lb. & 35 p. c.	84.00	36.00	40.32	11.00	5.00	5.38	.454	107.60

Valued more than 50 and not more than 70 cents per pound (square yards)	11 c. p. sq. yd. and 50 per cent.	9,322.00	3,039.00	2,696.37	24,096.00	12,126.00	9,219.86	.503	76.86
Valued above 70 cents per pound (square yards)	11 c. p. sq. yd. and 55 per cent.								
Weighting over 4 ounces per square yard —									
Valued more than 50 and not more than 70 cents per pound (pounds)	44 c. p. lb. and 50 per cent.	8,917.00	5,808.00	6,827.48	6,064.00	4,037.00	4,086.86	.866	116.69
Valued more than 70 cents per pound (pounds),	44 c. p. lb. and 55 per cent.	75,996.90	62,701.00	67,924.19	99,783.44	83,051.00	89,582.76	.832	107.86
Total flannels		94,350.04	71,594.00	77,498.49	129,654.44	99,219.00	103,594.66	.764	104.41
Knit fabrics (not wearing apparel) —									
Valued not more than 40 cents per pound (pounds)	33 c. p. lb. and 50 per cent.				1,268.00	476.00	656.44	.875	137.91
Valued more than 40 and not more than 70 cents per pound (pounds)	44 c. p. lb. and 50 per cent.	47.00	24.00	32.68	160.00	91.00	115.90	.569	127.36
Valued above 70 cents per pound (pounds)	44 c. p. lb. and 55 per cent.	5,873.79	8,884.00	7,470.71	15,418.00	16,741.00	15,991.47	1.086	95.52
Total knit fabrics (not wearing apparel), (pounds)		5,920.79	8,908.00	7,503.39	16,846.00	17,308.00	16,763.81	1.027	96.86
Plushes and other pile fabrics —									
Valued not over 40 cents per pound (pounds)	33 c. p. lb. and 50 per cent.	1,306.00	463.00	662.48					
Valued more than 40 and not more than 70 cents per pound (pounds)	44 c. p. lb. and 50 per cent.	1,214.00	728.00	898.16	2,893.00	1,579.00	1,974.42	.586	125.04
Valued more than 70 cents per pound (pounds)	44 c. p. lb. and 55 per cent.	50,115.34	59,584.20	54,811.07	34,795.00	33,638.00	33,810.70	.967	100.51
Total plushes, etc. (pounds)		52,635.34	60,755.20	56,371.71	37,488.00	35,217.00	35,785.12	.939	101.61
Wearing apparel: Clothing, ready-made, and articles of wearing apparel, made up or manufactured wholly or in part, not specially provided for —									
Cloaks, dolmans, etc., for ladies' and children's apparel, and articles used for like purposes, (pounds)	44 cents per pound and 60 per cent.	7,379.98	44,591.61	30,002.19	9,875.63	31,254.49	23,097.98	3.164	73.90
Hats of wool (pounds)	44 cents per pound and 60 per cent.	32,592.23	51,363.90	45,158.91	28,923.88	49,439.96	42,390.49	1.710	85.74

Imports of Wool and Manufactures of Wool, entered for Consumption, Years ending June 30, 1908 and 1909. Quantities, Values, Rates of Duty, and Accruing Duties. — Continued.

ARTICLES.	Rates of duty.	1908.				1909.				Average.
		Quantities.	Values.	Duties.	Quantities.	Values.	Duties.	Value per unit of quantity.	Ad value of rate of duty.	
Wool, hair of the camel, etc. — <i>Continued.</i> Manufactures composed wholly or in part of wool, worsted, etc. — <i>Continued.</i> Knitted articles (pounds)	44 cents per pound and 60 per cent. .	286,188.08	\$383,395.34	\$61,958.92	309,678.65	\$381,104.49	\$64,921.30	1.230	95.75	
Shawls, knitted or woven (pounds)	44 cents per pound and 60 per cent. .	36,498.33	48,807.00	45,343.47	25,055.78	31,783.90	30,094.90	1.269	94.69	
Other clothing, ready-made, and articles of wearing apparel, made up or manufactured, wholly or in part (pounds)	44 cents per pound and 60 per cent. .	436,723.83	1,101,924.15	853,313.29	359,538.16	969,432.75	739,872.78	2.096	76.32	
Other clothing, ready-made, and articles of wearing apparel, made up or manufactured, wholly or in part, from Philippine Islands, (pounds)	75 p. c. of 44 c. per pound and 60 p. c.	5.00	11.00	6.60	18.63	32.00	20.58	1.722	64.31	
Other clothing (reciprocity treaty with Cuba), (pounds)	44 cents per pound and 60 per cent. less 20 per cent	56.25	98.00	66.55	89.50	197.00	126.06	2.201	63.99	
Ditto	Duty remitted . .	. . . . .	. . . . .	. . . . .	35.83	56.00	. . . . .	1.563	. . .	
Total wearing apparel (pounds) . . . . .	. . . . .	799,443.70	1,640,191.00	1,235,851.23	733,216.36	1,463,300.59	1,200,524.09	1.996	82.04	

Webbings, gorings, suspenders, bandings, beltings, bindings, braids, edgings, fringes, gimps, cords, and other trimmings, etc. (pounds)	8,826.39	19,206.75	15,937.32	18,407.34	36,656.50	31,197.67	1,991	85.11
Ditto (from Philippine Islands) (pounds) . . . . .	. . . . .	. . . . .	. . . . .	1.51	8.00	4.16	5,298	52.00
All other manufactures wholly or in part of wool — Valued not more than 40 cents per pound (pounds)	45,386.48	15,183.00	22,569.05	7,779.00	2,445.00	3,789.57	314	154.99
Valued more than 40 and not more than 70 cents per pound (pounds)	35,400.37	21,224.00	26,188.16	88,171.06	50,832.00	64,211.27	576	126.32
(44 cts. per pound and 55 per cent. Duty remitted (act July 24, 1897)	130,180.74	238,763.54	188,599.51	198,372.07	322,288.91	264,542.62	1,624	82.08
Ditto (from Philippine Islands)	8.00	15.00	. . . . .	8,392.00	9,144.00	. . . . .	1,090	. . .
75 per cent. of 44 cents per pound and 55 per cent.	2.00	3.00	1.90	. . . . .	. . . . .	. . . . .	. . .	. . .
44 cents per pound and 55 per cent less 20 per cent.	19.75	42.00	25.43	13.00	22.00	14.26	1,692	64.82
Total webbings, etc., and all other manufactures of wool	219,823.73	204,437.29	253,321.37	321,135.98	421,306.41	363,759.55	1,312	86.32
Total manufactures of wool . . . . .	. . . . .	19,102,283.70	17,425,299.99	. . . . .	18,048,453.10	16,278,827.54	. . .	90.02
Total wool and manufactures of	45,822,496.65	28,845,245.11	52,807,241.25	33,361,817.24	. . .	63.18

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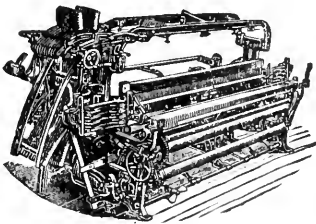
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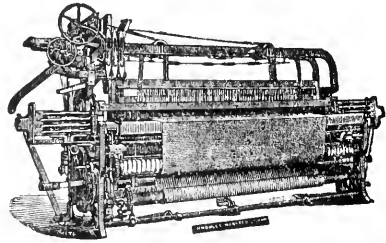
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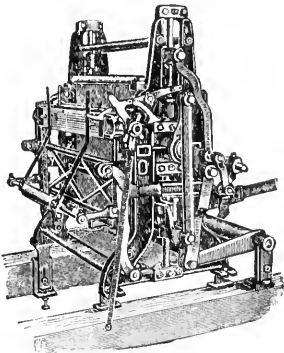
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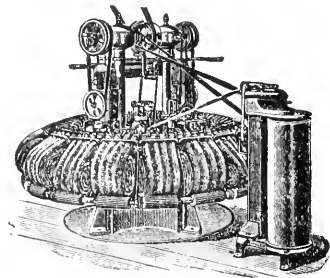
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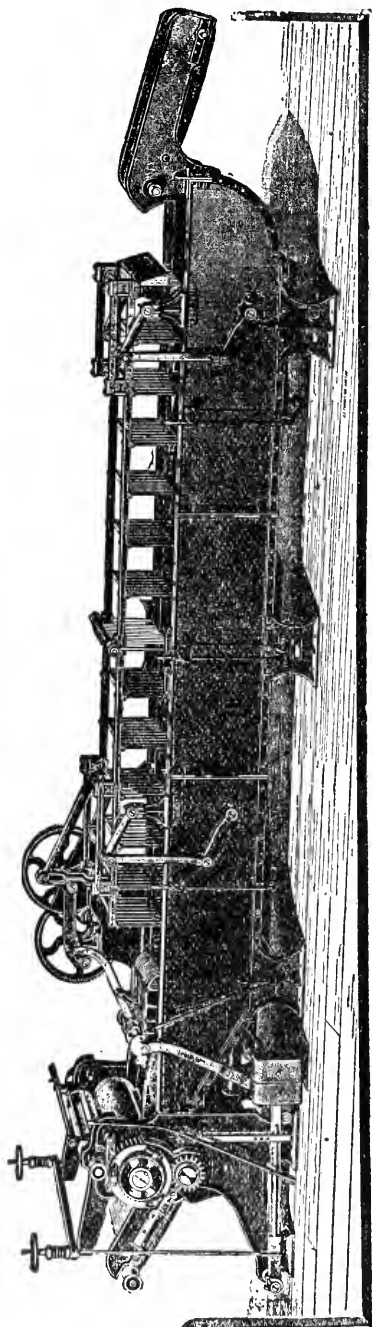
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